



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.11.

5/3/2022

Subject:

Acknowledge receipt of FY 2020-2021 Redevelopment Agencies Annual Reports for the fiscal year ending September 30, 2021.

Fiscal Impact:

There is no fiscal impact.

Dept/Office:

County Manager's Office

Requested Action:

It is requested that the Board acknowledge receipt of 2020-2021 Redevelopment Agencies Annual Reports for the fiscal year ending September 30, 2021.

Summary Explanation and Background:

In accordance with Florida Statute 163.356(3)(d), the following Redevelopment Agencies are providing the Brevard County Board of County Commissioners a copy of their 2020-2021 Annual Financial Reports. As required, an agency authorized to transact business and exercise powers under the statute is required to file with the governing body, on or before March 31 of each year, a report of its activities for the preceding fiscal year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year.

City of Cape Canaveral Community Redevelopment Agency
City of Cocoa Community Redevelopment Agency
City of Cocoa Beach Community Redevelopment Agency
City of Melbourne Community Redevelopment Agency
Merritt Island Community Redevelopment Agency (MIRA)
City of Palm Bay Bayfront Community Redevelopment Agency
City of Rockledge Community Redevelopment Agency
City of Satellite Beach Community Redevelopment Agency
City of Titusville Downtown Community Redevelopment Agency
City of West Melbourne/Brevard County Joint Community Redevelopment Agency

Clerk to the Board Instructions:

Maintain necessary documents for records retention.



May 04, 2022

M E M O R A N D U M

TO: Frank Abbate, County Manager

RE: Item F.11., Acknowledge Receipt of FY 2020-2021 Redevelopment Agencies Annual Reports for the Fiscal Year Ending September 30, 2021

The Board of County Commissioners, in regular session on May 03, 2022, acknowledged receipt of the FY 2020-2021 Redevelopment Agencies Annual Reports for the Fiscal Year ending September 30, 2021.

Your continued cooperation is always appreciated.

Sincerely,

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

for Denna Scott
Kimberly Powell, Clerk to the Board

/pp

City of Cape Canaveral Community Redevelopment Agency (CRA) FY 20/21 Annual Report

MARCH 2022

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



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Attachment 1	Annual Audit Report (FY20/21)



Community Redevelopment Agency Officials

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CRA Director
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Governing Board Members

Wes Morrison, Chairperson
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Mickie Kellum
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Don Willis
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Introduction, Mission & History

Chapter 163.387 (8), Florida Statute, requires that the City file an annual report of its financial activities with the taxing authorities each year for the preceding fiscal year. Furthermore, the City and Brevard County entered into an Interlocal Agreement, recorded in July of 2018, which establishes additional reporting obligations of the City.

This report has been prepared to meet these obligations and is filed for fiscal year 20/21 ending September 30, 2021. This report sets forth: (1) the organization and membership of the Community Redevelopment Agency, its Board members and administration, (2) an introduction to the CRA, its mission and history, (3) the CRA boundary, (4) financial reports, statement of liabilities, income/operating expenses and certain other performance information, and (5) an overview of public and private construction projects within the CRA.

In 2009, the City initiated the "Envision Cape Canaveral" effort, which set the stage for a series of redevelopment activities. One of these, the establishment of a City Vision Statement, ultimately led to the creation of the City's CRA.

Between the years of 2007 and 2011, property valuation data, collected by the Brevard County Property Appraiser's Office, indicated an average decline of 41 percent in commercial and industrial areas and 47 percent in residential areas within the Community Redevelopment Area.

Pursuant to Resolution No. 2012-10, the City CRA was established in 2012 with the signing of an Interlocal Agreement between the City and Brevard County. The CRA includes 766 acres or 56 percent of the City's land area (Figure 1).



City of Cape Canaveral CRA Boundary

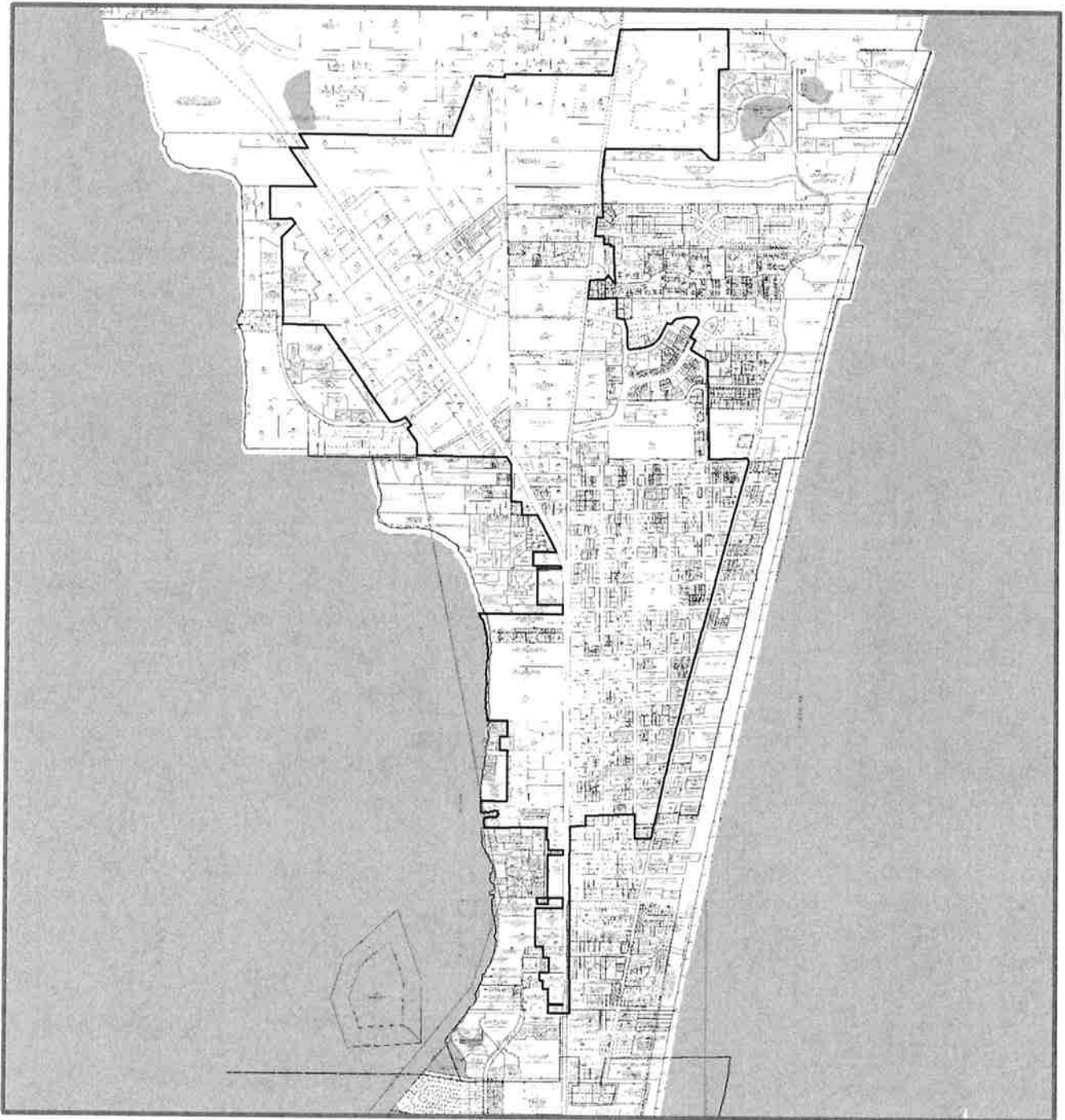


Figure 1. City of Cape Canaveral CRA Boundary (area outlined in black).

Financial Statements & Taxable Value

CRA Valuation (\$Millions)

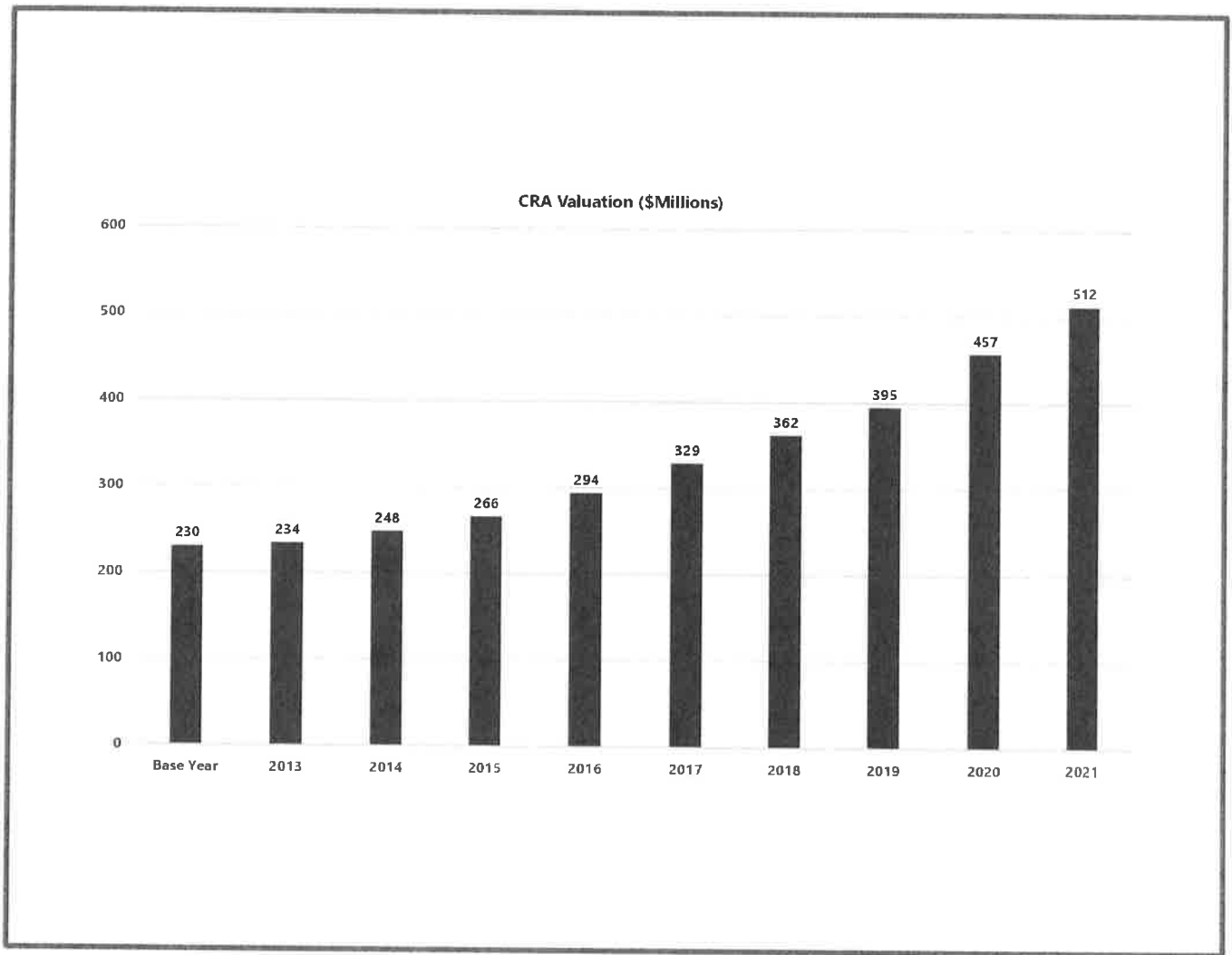


Figure 2. CRA Valuation (\$Millions)

Statement of Revenues, Expenditures & Changes in Fund Balances—Statement of Activities

	Statement of Revenues, Expenditures, and Changes in Fund Balance		
	Cape Canaveral CRA Fund	Adjustments	Government Activities
Revenues			
Intergovernmental	1,566,301	-	1,566,301
Total Revenues	1,566,301	-	1,566,301
Expenditures			
Current:			
Community Redevelopment	1,626	-	1,626
Capital Outlay	5,479,267	-	5,479,267
Total Expenditures	5,480,893	-	5,480,893
Excess (deficiency) of revenues over expenditures	(3,914,592)	-	(3,914,592)
Other financing sources (uses)			
Transfers in from primary government	4,750,673	-	4,750,673
Transfers out to primary government	(718,648)	-	(718,648)
Total other financing sources (uses)	4,032,025	-	4,032,025
Net change in fund balance/net position	117,433	-	117,433
Fund balance/net position, beginning of year	27,021	-	27,021
Fund balance/net position, end of year	\$144,454	-	\$144,454

Source: City of Cape Canaveral Comprehensive Annual Financial Report

CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY FUND FOR THE YEAR ENDED SEPTEMBER 30, 2021.

Projects Overview & Accomplishments (FY20-21)

The City CRA is in its 10th year of operation and has increased in value approximately \$282 million since its creation in 2012. The resulting Tax Increment Revenue allows for the continued expansion of public infrastructure and other programs that directly affects the City. The City continues to fund public improvements through available dollars including the General and CRA funds. Some of the notable projects—both public and private—are indicated in the following pages.



Public Projects Overview & Accomplishments (FY20/21)

CAPE Center • 105 Polk Avenue

The CAPE Center Project entails a complete renovation and re-purposing of the City's original 3,000 sq. ft. City Hall facility located at 105 Polk Avenue. It includes a selective demolition process that will reconstruct the exterior of the structure and remove the majority of interior walls, to include full asbestos abatement. The floor plan will be completely reconfigured to accommodate a gallery, small storage and reception area, as well as indoor and outdoor programming space. A full upgrade to plumbing, electrical and HVAC systems will be necessary to meet sustainability needs, to include the installation of alternative energy features.

Multi-Generational Facility (MGF) • 7920 Orange Avenue

This City facility will be a catalyst for community health and engagement. Desired community amenities expressed include: indoor basketball/volleyball, indoor walking path, and specific areas for fitness, youth/teens, and banquet/gathering. The MGF will be utilized by all demographics and will serve as the host site for the City's Youth Center, summer camp, PAL and youth basketball programs. The facility will be open to the general public. This project will be publically funded with monies from: the CRA, grants, General Fund and use of SPIA moneys.

W. Central Blvd. & Thurm Blvd. Streetscape

This project included rebuilding these two City streets as well as constructing improvements to the stormwater system and potable water lines. A pedway and additional sidewalks were also constructed and solar lighting installed.

Small Business Sign Assistance Grant Program

In an effort to increase local business awareness, economic productivity, and aesthetics within the City, the Small Business Sign Assistance pilot program continued to incentivize certain small business owners to improve business signage by installing new signs and by replacing existing older/outdated signage with more aesthetically attractive ones to increase their brand exposure and improve the chances of attracting new and repeat clientele. Two businesses participated in the program during this reporting period.



Private Projects Overview & Accomplishments (FY20/21)

Oceanside Distillery • 240 W. Central Avenue

This project started in 2016, and was complete in 2021. It includes the redevelopment of an industrial site into the City's first micro-distillery. The distillery will be housed in a new 7,000 square foot building (valued at \$431,000) that includes a tasting room, where educational tours will be provided, as well as a sales area where visitors can purchase spirits. Ingredients used in making the spirits will be locally-sourced, organic and once the distilling process is over, will be sold to local farmers for feed. This project is privately funded.

TownePlace Suites • 605 W. Central Avenue

This project includes a 154-room TownePlace Suites hotel on a 3.32-acre parcel. The building began construction in early 2020 with a projected opening in 2022. It is anticipated that the project will go on the tax rolls for approximately \$11 million, generating \$175,000 in total annual ad valorem revenue. This project is privately funded.



Performance Information

The following information is provided consistent with the Interlocal Agreement recorded in July 2018, between the City and Brevard County. In addition, Attachment 1 to this report includes the CRA audit report prepared by an independent auditor which certifies that TIF revenues have been lawfully expended consistent with Florida Statutes.

Total Projects*

Started	1*
Completed	2

Jobs Created

Sector	Construction	Hospitality	Total
Temporary	75	50	125
Full-time	0	25	25
Jobs Retained	n/a	n/a	

Assessed Property Value

CRA Enactment	\$230M
Current	\$512M
Affordable Housing	0

*TownePlace Suites



Summary

The CRA continues to build forward momentum through the 20/21 fiscal year as evidenced by an approximate 12 percent increase in its assessed value from the prior tax year.

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. For more information, visit the CRA's webpage at www.cityofcapecanaveral.org.

You can learn about:

- Attending upcoming Board meetings;
- Minutes and agendas from prior meetings;
- Financial information for the CRA; and
- Contact information on how the CRA can help you.

All CRA Board meetings are open to the public and are held on a quarterly basis—unless cancelled due to no new business—in the Council Chambers at City Hall, 100 Polk Avenue. Please check the City Calendar at www.cityofcapecanaveral.org for meeting dates. We encourage you to attend!



**CITY OF CAPE CANAVERAL COMMUNITY
REDEVELOPMENT AGENCY**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

**CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
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SEPTEMBER 30, 2021**

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, 2021, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above 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, 2021, 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.

Other Matters

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 4, 2022, 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 4, 2022

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 assets of the CRA exceeded its liabilities at September 30, 2021, by \$144,454 (net position). Of this amount, the entire balance was restricted for redevelopment purposes.
- As of September 30, 2021, the CRA's reported ending fund balances of \$144,454. Fund balance saw a change of \$117,433 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	
	2021	2020
ASSETS		
Current and other assets	\$ 1,089,778	\$ 254,693
Total assets	<u>\$ 1,089,778</u>	<u>\$ 254,693</u>
LIABILITIES		
Current liabilities	\$ 945,324	\$ 227,672
Total liabilities	<u>\$ 945,324</u>	<u>\$ 227,672</u>
NET POSITION		
Restricted	\$ 144,454	\$ 27,021
Total net position	<u>\$ 144,454</u>	<u>\$ 27,021</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	
	2021	2020
REVENUES		
Intergovernmental and grants	\$ 1,566,301	\$ 1,149,156
Other revenues	-	257
Total revenues	<u>1,566,301</u>	<u>1,149,413</u>
EXPENSES		
Community Redevelopment	1,626	7,695
Capital outlay	5,479,267	263,788
Total expenses	<u>5,480,893</u>	<u>271,483</u>
Net income before transfers	(3,914,592)	877,930
Transfers from primary government	4,750,673	73,809
Transfers to primary government	(718,648)	(968,850)
Change in net position	117,433	(17,111)
Net position, beginning of year	<u>27,021</u>	<u>44,132</u>
Net position, end of year	<u>\$ 144,454</u>	<u>\$ 27,021</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 \$144,454, a change of \$117,433 in comparison with the prior year.

At the end of the current fiscal year, the entire fund balance was restricted for community redevelopment. 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

Significant variations between original and final budget amounts were due to year-end budget true-up modification based on actual activity.

Actual expenditures in the general fund were \$603,377 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 13 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 during and after the COVID-19 pandemic, 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, 2021

	<u>Balance Sheet</u> <u>Cape Canaveral</u> <u>CRA</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	\$ 1,089,778	\$ -	\$ 1,089,778
Total assets	<u>\$ 1,089,778</u>	<u>\$ -</u>	<u>\$ 1,089,778</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 753,037	\$ -	\$ 753,037
Advances from primary government	192,287	-	192,287
Total liabilities	<u>945,324</u>	<u>-</u>	<u>945,324</u>
FUND BALANCE / NET POSITION			
Fund Balance:			
Restricted for:			
Community redevelopment	144,454	(144,454)	-
Net Position:			
Restricted for:			
Community redevelopment	-	144,454	144,454
Total fund balance / net position	<u>144,454</u>	<u>-</u>	<u>144,454</u>
Total liabilities and fund balance / net position	<u>\$ 1,089,778</u>	<u>\$ -</u>	<u>\$ 1,089,778</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, 2021

	Statement of Revenues, Expenditures, and Changes in Fund Balance Cape Canaveral CRA Fund	Adjustments	Statement of Activities Governmental Activities
Revenues			
Intergovernmental	\$ 1,566,301	\$ -	\$ 1,566,301
Total revenues	<u>1,566,301</u>	<u>-</u>	<u>1,566,301</u>
Expenditures / expenses			
Current:			
Community redevelopment	1,626	-	1,626
Capital outlay	5,479,267	-	5,479,267
Total expenditures / expenses	<u>5,480,893</u>	<u>-</u>	<u>5,480,893</u>
Excess (deficiency) of revenues over expenditures / operating income (loss)	<u>(3,914,592)</u>	<u>-</u>	<u>(3,914,592)</u>
Other financing sources (uses)			
Transfers in from primary government	4,750,673	-	4,750,673
Transfers out to primary government	(718,648)	-	(718,648)
Total other financing sources (uses)	<u>4,032,025</u>	<u>-</u>	<u>4,032,025</u>
Net change in fund balance / net position	<u>117,433</u>	<u>-</u>	<u>117,433</u>
Fund balance / net position, beginning of year	27,021	-	27,021
Fund balance / net position, end of year	<u>\$ 144,454</u>	<u>\$ -</u>	<u>\$ 144,454</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, 2021

(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, 2021

(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, 2021, 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 equity**—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, 2021

(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) **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.

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.

(l) **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.

(m) **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.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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.

As of September 30, 2021, 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, 2021, 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, 2021. 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, as adjusted based on the impacts of GASB Statement No. 95, 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. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.

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, 2021**

	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final	Actual
Revenues			
Intergovernmental	\$ 1,552,812	\$ 1,552,812	\$ 1,566,301
Total revenues	1,552,812	1,552,812	1,566,301
Expenditures			
Current:			
Community redevelopment	11,559	11,559	1,626
Capital outlay	4,865,957	4,865,957	5,479,267
Total expenditures	4,877,516	4,877,516	5,480,893
Excess (deficiency) of revenues over expenditures	(3,324,704)	(3,324,704)	(3,914,592)
Other financing sources (uses)			
Transfers in from primary government	4,037,000	4,037,000	4,750,673
Transfers out to primary government	(737,850)	(737,850)	(718,648)
Total other financing sources (uses)	3,299,150	3,299,150	4,032,025
Net change in fund balances	(25,554)	(25,554)	117,433
Fund balances, beginning of year	27,021	27,021	27,021
Fund balances, end of year	\$ 1,467	\$ 1,467	\$ 144,454

**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, 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, 2021, 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 4, 2022.

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 may exist that have not been identified.

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.

James Moore & Co., P.L.

Daytona Beach, Florida
February 4, 2022

**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, 2021, and have issued our report thereon dated February 4, 2022.

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 4, 2022, 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 prior separate audit has been performed for the CRA, therefore there are no prior findings and 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 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.

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 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: -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. Canaveral City Park Redevelopment - \$3,095,957
 - b. W. Central Blvd. Streetscape - \$1,626,500

- 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: there were no amendments between the original and final total district expenditure budget.

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 4, 2022

James Moore & Co., P.L.



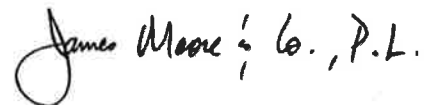
INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

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, 2021. 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 the Statutes, for the year ended September 30, 2021, 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 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.

In our opinion, the City of Cape Canaveral Community Redevelopment Agency complied, in all material respects, with the Statutes for the year ended September 30, 2021.

James Moore & Co., P.L.

Daytona Beach, Florida
February 4, 2022



2021

COMMUNITY REDEVELOPMENT AGENCIES

ANNUAL REPORT



(321) 433-8577



65 Stone St., Cocoa



www.ChooseCocoa.org

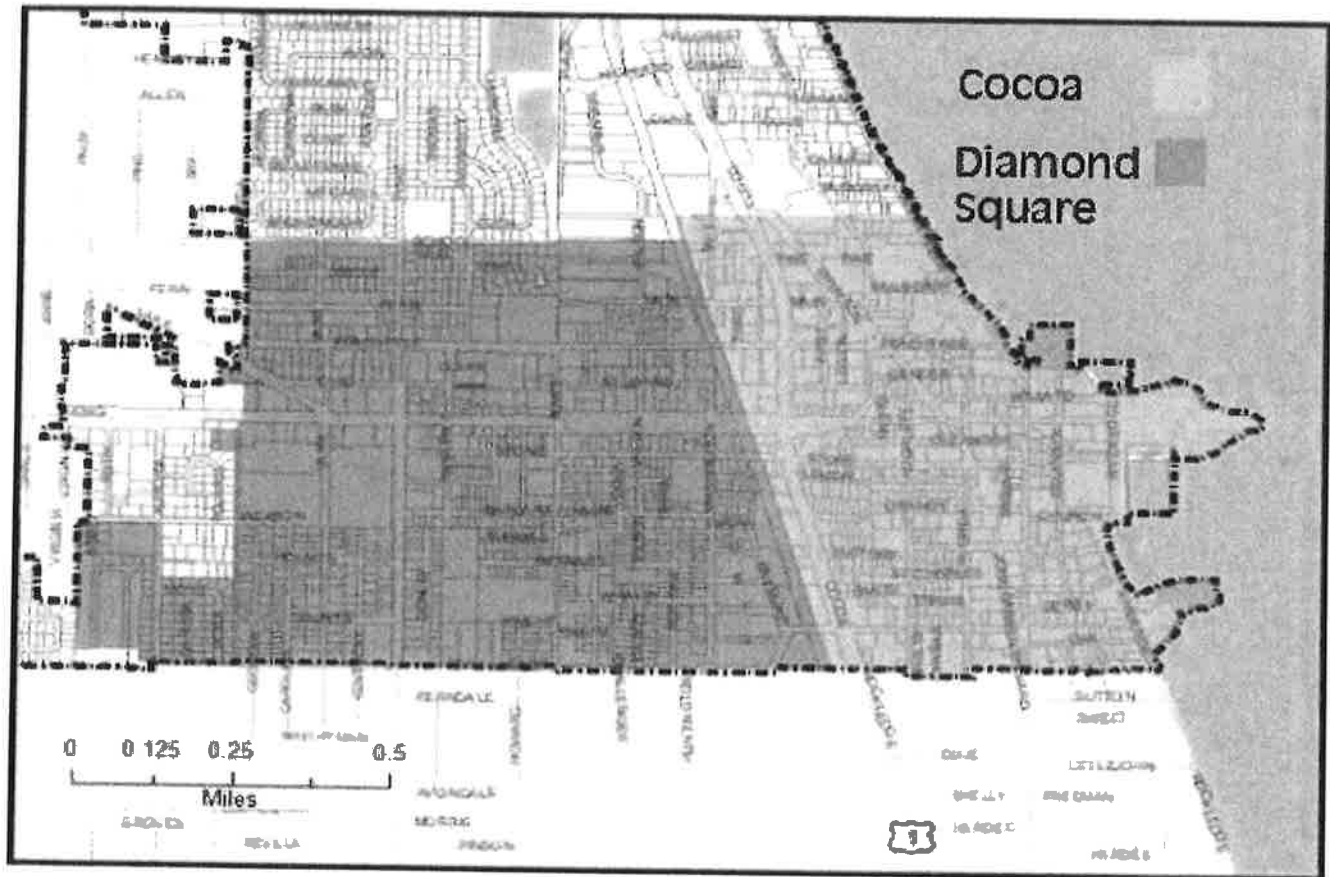


Ichabot@cocoafl.org

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CRA BOUNDARIES



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, April 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, 2019 through September 30, 2020 (Fiscal Year 2020).

CITY OF COCOA AND RESPONSE TO COVID-19/Updates



The City of Cocoa is dedicated to keeping our residents, business owners and customers safe by actively monitoring developments related to the Coronavirus (COVID-19) pandemic. The City's main priority is communicating best health practices to minimize the spread of COVID-19 in our community and amongst employees to ensure the delivery of our core municipal services.

The City works closely with partners at Brevard County Government and the Florida Department of Health to coordinate appropriate planning and response efforts and to share information with our residents regularly. The City of Cocoa provide updates to residents on locations for testing sites, test kits, CDC Updates, where to find mask and any financial assistance that could be available to residents. City staff strongly encourages residents to continue following the Centers for Disease Control social distancing and prevention guidelines to limit the spread of COVID-19 in the community. The City's website and other social sites are updated on a regular basis for the latest information.

Take the pledge:



In accordance with the Center for Disease Control, in order to keep the community and employees safe, the Cocoa City Council stated that all events during part of the year were cancelled or rescheduled. These decisions were reassessed on a regular basis and eventually began reopening gradually. Many businesses have re-opened with normal hours, however adhering to guidelines of the City and CDC.

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, SR50, the Southern portion of the US1 Corridor and an uptown area north of the Cocoa Village and SR520.

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 Dr.

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. The plan's amendment will extend the timeframe of the CRA from 2027 to 2041.

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

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

COCOA CRA HIGHLIGHTS

Near Completion
of the Gateway
Entry Project



COCOA CRA

PROJECTS



LEE WENNER PARK BOAT RAMPS AND DREDGING

In Fiscal Year 2020, the Cocoa CRA embarked on a multi-year project to design and construct new boat slips, expand the T-Dock, repair the boat ramps and a dredging project to allow for larger vessels. With completion of the Promenade and new boat slips, the Cocoa CRA began work on the boat ramp reconstruction and the basin dredging. The boat ramps are in disrepair and require the demolition of the existing ramps and embankments and reconstructing the concrete boat ramp, the embankments and stabilizing the existing launching docks. Secondly, the dredging project is within the City's controlled submerged lands adjacent to Lee Wenner Park and the waterfront area.

Funding was secured using the FIND Grant which provides up to 50% funding assistance for the boat ramp reconstruction and the dredging project. Phase 1-Design was completed and Phase 2-construction will begin in early 2022. The estimated costs associated with this project is \$603,280.

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.



FLORIDA AVENUE COCOA VILLAGE GATEWAY ENTRY FEATURE (PHASE 2)

The Cocoa CRA developed the property at 6 Forrest Avenue into a gateway entry feature to create an enhanced entryway into Historic Cocoa Village. In FY 2019, the Cocoa CRA Board approved the conceptual design of the Gateway Entry Feature which was designed from entries submitted from the public. The design and engineering phase of the project completed in FY 2019 and an RFP was issued for construction in FY 2020. During 2020, Phase 1 of the Project which includes construction of the sign and paddle wheel was completed. In FY2021, Phase 2 which includes design and construction of the figurines was completed and installation of the figurings is expected in spring of FY 2022.

COCOA VILLAGE CROSSWALKS

The completion of the Crosswalks Project in Cocoa Village took place in 2021 where 25 village crosswalks were updated or added with a thermoplastic material designed for extreme use and wear in high-traffic crosswalks. The product skid/slip resistant for safety and it is ADA compliant, pedestrian and wheelchair friendly.



COCOA CRA



REDEVELOPMENT ACTIVITY

603 BREVARD AVENUE

In 2019, the Cocoa CRA entered into a Redevelopment Agreement with Lodging Decisions, Inc. to design and Construct a hotel on the existing site. The developer is currently in the process of preliminary design to move the next phase, entering into a Development Agreement in October of 2020, with the City of Cocoa.

YEARLY HIGHLIGHTS



The Cocoa CRA welcomed 43 new businesses to the area, creating a total of 59 full-time jobs and 42 part-time jobs.



\$24,394 was awarded in Commercial Façade Improvement Program Grants, leveraging \$50,188 in private sector capital investment. A ROI of \$2.4 for every \$1.5 of TIF invested.

Business Property Owner	Address	Total Award	Total Project Cost
Lois Felder	217 King Street	\$9,794	\$19,012
RJB Development	220/224 Forrest Ave	\$10,000	\$21,976
Wasdin Family Ltd.	630 Brevard Ave	\$2,955	\$5,910
DMP	316 Brevard Ave	\$1,645	\$3,290

YEARLY EVENTS

Cocoa Village hosts more than 70 events annually. As we were still dealing with the Pandemic in 2021, some events were either canceled or scaled down resulting in lower than usual numbers of visitors in the area and attendees at events.

- Annual MLK Peace March and Service
- City of Cocoa 4th of July Celebration
- Annual Survive First, First Responder 5K
- Annual Cocoa Rotary Party in the Park Concert
- City's Annual Memorial Day Ceremony
- Historic Cocoa Village Mainstreet Sip and Stroll (four annually)
- Central Florida Car Show
- Central Brevard Humane Society Annual Mardi Paws in the Park
- Historic Cocoa Village Association Arts and Craft Fair (four annually)
- Annual Alzheimer's Association Memory Walk
- American Cancer Society Relay for Life
- March of Dimes Walk for Babies
- Cocoa and Brevard County Holiday Parade
- Keep Brevard Beautiful Trash Bash
- Space Coast Marathon and Half Marathon

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 as 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

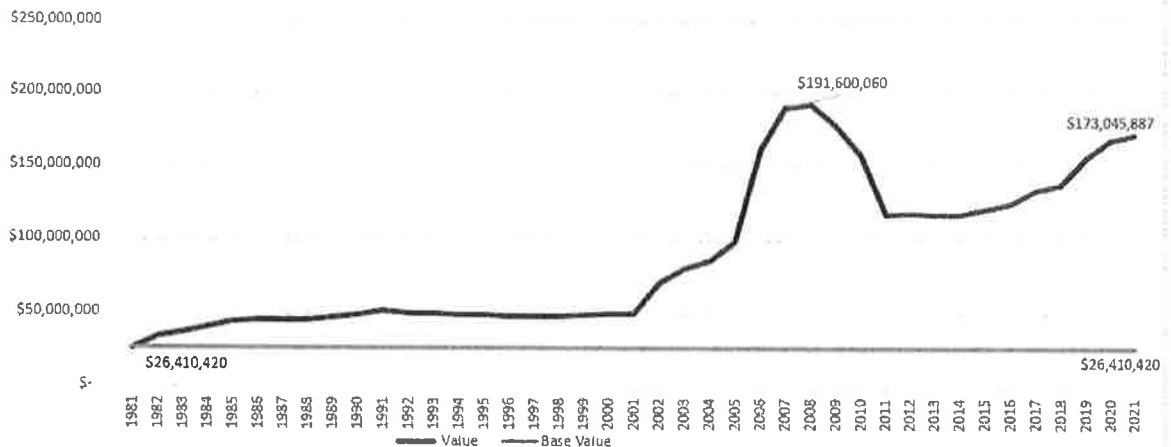
COCOA CRA

FINANCIALS

FINANCIALS			
TYPE	SOURCE	AMOUNT	
Current Year Taxable Value in CRA	DOR DR420 TIF Sect II(1)	\$	173,045,887.00
Base Year Taxable Value in CRA	DOR DR420 TIF Sect II(2)	\$	26,410,420.00
Current Year Tax Increment Value	DOR DR420 TIF Sect II(3)	\$	146,635,467.00
Prior year Final taxable value in the tax increment area	DOR DR420 TIF Sect II(4)	\$	169,243,231.00
Prior year tax increment value (Line 4 minus Line 2)	DOR DR420 TIF Sect II(5)	\$	142,832,811.00
If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:			
Enter the portion on which the payment is based.	DOR DR420 TIF Sect II(6a)		0%
Dedicated increment value	DOR DR420 TIF Sect II(6b)	\$	-
Amount of payment to redevelopment trust fund in prior year	Read note on cell	\$	811,298.00
If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:			
Amount of payment to redevelopment trust fund in prior year	DOR DR420 TIF Sect II(7a)	\$	811,298.00
Prior year operating millage levy from Form DR-420, Line 10	DOR DR420 TIF Sect II(7b)		5.9790%
Taxes levied on prior year tax increment value	DOR DR420 TIF Sect II(7c)	\$	853,997.00
Prior year payment as proportion of taxes levied on increment value	DOR DR420 TIF Sect II(7d)		9500%
Dedicated increment value	DOR DR420 TIF Sect II(7e)	\$	139,303,694.00
Actual expended increment revenue	Audit (FUND BALANCES)	\$	-
Total Low and Moderate Housing Expended		\$	-

Increase in tax increment value over prior fiscal year:
\$3,802,656

Assessed Property Value



City of Cocoa, Florida
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
Year Ended September 30, 2021

	General Fund	Cocoa Redevelopment Agency	American Rescue Plan	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 10,275,024	\$ -	\$ -	\$ -	\$ 10,275,024
Special Assessments	2,820,550	-	-	-	2,820,550
Licenses, permits, and fees	1,722,520	-	-	-	2,731,283
Intergovernmental	4,033,931	1,398,502	565,087	1,008,763	6,421,491
Charges for services	12,923,865	-	-	423,971	12,923,865
Fines and forfeitures	18,184	-	-	4,166	22,350
Investment earnings	96,879	16,096	3,265	19,369	135,609
Miscellaneous	704,433	41,955	-	34,855	781,243
Total revenues	32,595,386	1,456,553	568,352	1,491,124	36,111,415
Expenditures:					
Current:					
General government	13,394,520	-	95,379	45	13,489,944
Public safety	15,873,864	-	-	491,267	16,365,131
Recreation	1,399,392	-	-	-	1,399,392
Economic development	251,018	411,068	464,397	293,442	1,419,925
Physical environment	2,566,011	-	-	-	2,566,011
Transportation	880,011	-	-	-	880,011
Capital outlay	1,537,787	204,376	5,310	-	1,747,473
Debt service:					
Principal	-	-	-	1,384,000	1,384,000
Interest	-	-	-	620,171	620,171
Total expenditures	35,902,603	615,444	565,086	2,788,925	39,872,058
Excess (deficiency) of revenues over (under) expenditures	(3,307,217)	841,109	3,266	(1,297,801)	(3,760,643)
Other Financing Sources (Uses):					
Transfers in	10,102,309	-	-	2,378,283	12,480,592
Transfers out	(2,097,678)	(344,531)	-	(874,035)	(3,316,244)
Proceeds from sales of capital assets	41,655	-	-	-	41,655
Total other financing sources (uses)	8,046,286	(344,531)	-	1,504,248	9,206,003
Net change in fund balances	4,739,069	496,578	3,266	206,447	5,445,360
Fund Balances, Beginning of Year	27,484,540	1,954,844	-	4,985,431	34,424,815
Fund Balances, End of Year	\$ 32,223,609	\$ 2,451,422	\$ 3,266	\$ 5,191,878	\$ 39,870,175

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

City of Cocoa, Florida
Balance Sheet - Governmental Funds
September 30, 2021

	General Fund	Cocoa Redevelopment Agency	American Rescue Plan	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 26,613,772	\$ 3,193,699	\$ 1,390,398	\$ 3,963,162	\$ 35,161,031
Restricted Cash	21,100	-	-	-	21,100
Investments	6,434,462	-	-	595,067	7,029,529
Accounts receivable, net	1,047,369	-	-	491	1,047,860
Accounts receivable earned, but not billed	93,303	-	-	-	93,303
Tax receivable	39,824	-	-	-	39,824
Due from other funds	60,879	-	-	-	122,957
Due from other governments	343,062	-	-	62,078	416,360
Inventory	23,675	-	-	73,298	23,675
Prepaid items	404,738	6,878	-	-	411,616
Deposits	-	4,350	-	-	4,350
Deferred charges for Interfund Advance	-	1,191,501	-	-	1,191,501
Other receivable	-	271,891	-	-	271,891
Advance to other funds	1,191,501	-	-	609,890	1,801,391
Total assets	\$ 36,273,685	\$ 4,668,319	\$ 1,390,398	\$ 5,303,986	\$ 47,636,388
Liabilities:					
Liabilities					
Accounts payable	\$ 1,613,464	\$ 18,731	\$ 11,229	\$ 32,792	\$ 1,676,216
Accrued payroll and related liabilities	959,315	1,927	-	12,193	973,435
Unearned revenue	223,984	-	1,375,903	36,901	1,636,788
Due to other funds	-	122,957	-	-	122,957
Due to other governments	4,188	-	-	4,346	8,534
Escrow deposits	7,030	-	-	25,876	32,906
Other liabilities	28,945	-	-	-	28,945
Advance from other funds	-	1,801,391	-	-	1,801,391
Total liabilities	2,836,926	1,945,006	1,387,132	112,108	6,281,172
Deferred Inflows of Resources:					
Deferred inflows - sale of building	1,191,501	-	-	-	1,191,501
Deferred inflow - Whitley Marina settlement revenue	-	271,891	-	-	271,891
Deferred Inflow - Grants	21,649	-	-	-	21,649
Total deferred inflows of resources	1,213,150	271,891	-	-	1,485,041
Fund Balances:					
Nonspendable	1,619,914	6,878	-	-	1,626,792
Restricted	67,000	2,444,544	3,266	2,006,982	4,521,792
Committed	11,844,641	-	-	3,184,896	15,029,537
Assigned	8,640,013	-	-	-	8,640,013
Unassigned	10,052,041	-	-	-	10,052,041
Total fund balances	32,223,609	2,451,422	3,266	5,191,878	39,870,175
Total liabilities and fund balances	\$ 36,273,685	\$ 4,668,319	\$ 1,390,398	\$ 5,303,986	\$ 47,636,388

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's Plan is based on 5 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 service terms of 1, 2 and 3 years from their date of appointments. No Agency member may serve more than two consecutive terms.

Diamond Square CRA Board Members

- Tracy Moore – Chairperson
- Delores Martin – Vice Chairperson
- Sylvia Thomas – Agency Member
- Ed Jones - Agency Member
- Jackie Isom - Agency Member
- Marilyn Smith - Agency Member
- Larry Brown– Agency Member -
Appointed by Brevard County



DIAMOND SQUARE CRA HIGHLIGHTS

Two homes in Habitat for Humanity Woman's Veterans Village completed and two more homes celebrated with a wall-raising ceremony.



Creation of the Diamond Square CRA Paint Grant Program and Beautification Grant Program



DIAMOND SQUARE CRA

PROJECTS & FUNDING INITIATIVES



DIAMOND SQUARE PARTNERSHIP WITH ALLIANCE FOR NEIGHBORHOOD RESTORATION

The Diamond Square CRA increased its partnership funding to \$25,000 with the Alliance for Neighborhood Restoration (ANR), currently in its 7th year of youth programs at the Harry T. Moore Center primarily serving the surrounding Diamond Square Community. Continuing to navigating the day-to-day, ANR was also tasked with figuring out how to continue programs and remain relevant while making a significant difference in our communities. ANR and Cocoa PAL quickly decided that service to society, specifically the Diamond Square Community, could be provided in different forms. After many discussions and brainstorming sessions, we put our plans in motion. In addition, the Diamond Square CRA sponsored the community policing initiative, the Cocoa Police Athletic League (Cocoa PAL), for \$4,500.

SUMMER CAMP SCHOLARSHIPS

Summer of 2021, the Diamond Square CRA sponsored 14 young residents to attend summer camp provided by Brevard County Parks and Recreation held at the Dr. Joe Lee Smith Center.



COMMERCIAL FACADE GRANT

The Diamond Square CRA sponsors a Commercial Façade Improvement Program (CFIP) 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, lighting, parking lots and signage.



COPS & KIDS

Summer began with 48 participants and culminated on July 14, 2021. 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 Canine Star Training, Orlando Science Center, Sebastian Inlet for fishing, 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 5-week camp and Second Harvest Food Bank provided breakfast each day.

DIAMOND SQUARE CRA

DIAMOND SQUARE CRA PAINT AND BEAUTIFICATION GRANT PROGRAMS



In June, 2021, the Diamond Square CRA approved two new residential grant programs; a Paint Grant Program and the Beautification Grant Program. 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.



HABITAT FOR HUMANITY FEMALE VETERANS HOME BUILD PROJECT

Championed by the Diamond Square Community Redevelopment Agency (CRA) and Staff, Diamond Square CRA granted Habitat for Humanity of Brevard County (HFHBC) six lots (\$30,000) and \$10,000 cash for each lot for homes to be built on Whaley Street.

These homes will be constructed for low-income, female Veterans who live in Brevard County to move to Cocoa and own their home. The \$60,000 of Agency funds will assist Habitat with the site preparations. Ground breaking ceremonies were held on two of the homes in 2020 and filled with Female Veterans.

In addition, Habitat is building homes in the Diamond Square CRA not associated with this project, but are part of the home ownership program in our community.

YOUTH LEADERSHIP COUNCIL

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.

YLC participants held regular meetings to discuss and plan activities, which included service projects. 8-10 youth consistently attended local and regional conferences and have volunteered with various agencies within the City of Cocoa. Volunteer activities for program year 20-21 included the Cocoa PAL annual Holiday Homeless Project, City of Cocoa Fall Festival, Parks and other PAL activities held at the Moore Center. YLC members also assisted in maintaining the garden at the Moore Center and re-painted tables in the pavillion area.

Cocoa PAL sponsored 4 youth (3 Diamond Square residents and 1 alumnus) to attend the State of Florida PAL Leadership Conference at the Disney Coronado Springs Resort. in June with Financial Assistance of Community First Charities.

DIAMOND SQUARE CRA



POLICE ATHLETIC LEAGUE (PAL) AFTER SCHOOL PROGRAM

The 2020-21 school year began with 20 youth registered for After-School, focusing on Career Readiness and Character Education. An average of 15 children received daily homework assistance, career readiness, leadership development, social-emotional development, arts and crafts, physical fitness, and nutrition.

Staff designed and implemented a particular curriculum to include Career Readiness and Gardening for After School. Participants maintained the garden and were responsible for weeding, watering and basic upkeep, while learning about the different types of vegetables, flowers, herbs, compost and pollination.

Earth Day was celebrated with a week of activities; each week focused on the 3 R's - Reduce, Reuse, Recycle.

The 2020 Elections provided an opportunity to include a unique lesson in civic responsibility. Cocoa PAL held mock elections in November, 2020.

PAL Virtual Academy

As an alternative to the lack of regular classroom capacity, due to COVID 19 and social distancing requirements, youth were assigned a computer tablet provided by the United Way to access and complete character education and career readiness lessons.

Career Readiness lessons included career research, business development, financial literacy, crime prevention, social and career etiquette, and guest speakers sharing experiences.

2021 Highlights:

Jobs: ANR provided jobs for two student interns (Diamond Johnson and Camron Andersen) this past year to assist with the day-to-day and support the increased interest in PAL Basketball.

Meals: Second Harvest Food Bank continues to support After-School and Summer Programs with fresh, prepared meals.

Volunteers: Volunteers are few, but a core team continues to consistently support PAL, including Larry Brown, Raymond Lyons, Lauren Waters, and Lewis McLaughlin.

State of Florida PAL Regional Training: Cocoa PAL hosted the State of Florida PAL Regional Training at the JLSC on May 2, 2021, with approximately 100 youth from around the State of Florida.

Cocoa PAL's Inaugural Basketball Awards Banquet was held at the Joe Lee Smith Center Gymnasium, on May 13, with approximately 90 youth and family members attending.

Outreach during COVID included contacting students and parents to encourage them to take advantage of the free meals provided and stay connected with PAL. United Way provided books for the children, and the Children's Hunger provided weekend meal packs for families.

PAL Leadership Training

Each member received 8 hours of Leadership Training. The curriculum included a leader's traits and skills, team-building exercises, planning and executing community projects, community needs assessments, and civic responsibility.

Due to Covid 19 the number of participants dropped significantly during the year, but as of September 11, 2021, numbers were back to 15 youth, 12 of whom have received their first of four Leadership Training courses.

DIAMOND SQUARE CRA

Special Events & Activities October - March

- The 2021 Youth Employment Training Program is back on track, having completed Phase 1 on July 28, with the culminating event, Graduation taking place on August 3. The Guest Speaker was Chief Evander Collier. Our theme: "Be the Change."

As the core program for delivering youth services, the Cocoa Police Athletic League is a juvenile delinquency prevention program that provides athletic and academic activities to youth throughout the community.

In addition to the funding received from the Cocoa Police Department and the Diamond Square RDA, in the 2020-21 FY, we received additional support from Brevard County CARES Act and Community First Charities. We also received financial support through donations from Kindred Hospital, Just for Kids, Dick's Sporting Goods, Giving Tuesday, and individual donations.

10 youth registered for the Youth Employment Training program, of which 9 completed the four-week course, culminating on July 28, 2021.

Speakers from various occupations shared information about their careers, including the Military, Police, Nursing, Fire, Business, Banking, and the Moore Justice Center. Course instruction included applications, resumes, interviewing skills, dressing for success, financial literacy, and customer service.

- **Cocoa PAL**



During the 20-21 Basketball season, the practice was held on Tuesdays and Thursdays at the Joe Lee Smith Community Center. Games were held on Saturdays during League competitions with Parks and Recreation at Cuyler Park and Walter Butler Community Centers. Under the

- direction of volunteer Coach Raymond Lyons, the program began in November 2021 with Skills and Drills, free to participant
- In March of 2021, Cocoa PAL registered 43 youth for Spring and Summer Basketball at no cost to families.
- Leadership activities for March were centered around Women's History Month. PAL girls researched their heroes and portrayed them for the on-going photography exhibit at the Moore Center open to the public.
- Sports during the 2019 Basketball season, the practice was held on Tuesdays and Thursdays at the Joe Lee Smith Community Center. Games were held on Saturdays during League competitions at the YMCA and Parks and Recreation. The program, under the direction of volunteer Coach Calvin Brown, is scheduled to continue when it is safe to do so.

Outreach during COVID

As children struggle having from the challenges of COVID our outreach goals continue and include in-person and virtual registration as well as through social media, texting, and phone calls, working with the Schools, contacting students and parents to encourage them to take advantage of the free meals and free after-school activities provided and to stay connected with PAL.

ANR adopted proper safety measures, including masks, sanitation, and a smaller group to staff ratios so that children and staff are safe and families feel comfortable. We are also providing access to technology and connectivity that supports learning across all settings.

ANR also uses its online platforms and other marketing tools to promote programs and activities. With the isolation that comes with COVID, children are likely to be experiencing worry, anxiety, and fear, and this can include the types of fears that are very similar to those experienced by adults, such as a fear of dying, a fear of their relatives dying, or a fear of what it means to receive medical treatment.

Cocoa PAL will continue to connect with participants through the Cocoa PAL Virtual Academy and smaller in-person groups while adhering to the CDC COVID safety practices.

DIAMOND SQUARE CRA

YEARLY HIGHLIGHTS



The The Diamond Square CRA welcomed 12 new businesses to the area, creating a total of 18 full-time jobs and 6 part-time jobs.



YEARLY EVENTS

- > PAL Inaugural Basketball Banquet 2021 (planned for 2022)
- > PAL annual Holiday Celebration
- > PAL Basketball Program
- > Youth Leadership Council
- > Operation Stop the Spread
- > 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 in Fall 2021

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

- Housing Authority of the City of Cocoa curb appeal – renovations/expect completion 2021
- 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
- Facade Grant - in progress

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

- Joe Lee Smith Center upgrades and/or reconstruction – completed in May 2020
- Programs and partners for kids – in progress

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

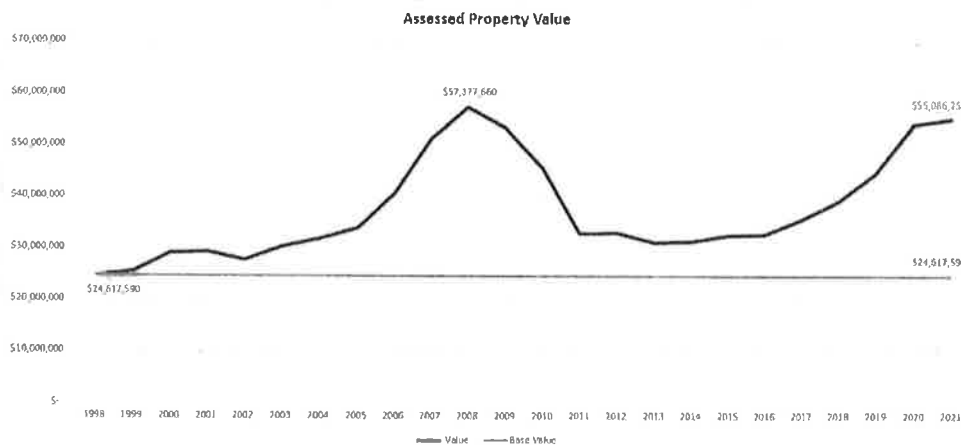
- Safe routes to school/pedestrian network – in progress
- Role model and mentoring programs – in progress

DIAMOND SQUARE CRA

FINANCIALS

FINANCIALS		
TYPE	SOURCE	AMOUNT
Current Year Taxable Value in CRA	DOR DR420 TIF Sect I(1)	\$ 55,086,258.00
Base Year Taxable Value in CRA	DOR DR420 TIF Sect I(2)	\$ 24,617,590.00
Current Year Tax Increment Value	DOR DR420 TIF Sect I(3)	\$ 30,468,668.00
Prior year Final taxable value in the tax increment area	DOR DR420 TIF Sect I(4)	\$ 54,065,100.00
Prior year tax increment value (Line 4 minus Line 2)	DOR DR420 TIF Sect I(5)	\$ 29,447,510.00
If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:		
Enter the portion on which the payment is based.	DOR DR420 TIF Sect II(6a)	0%
Dedicated increment value	DOR DR420 TIF Sect II(6b)	\$ -
Amount of payment to redevelopment trust fund in prior year	Read note on cell	\$ -
If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:		
Amount of payment to redevelopment trust fund in prior year	DOR DR420 TIF Sect II(7a)	\$ 167,263.00
Prior year operating millage levy from Form DR-420, Line 10	DOR DR420 TIF Sect II(7b)	5.9790%
Taxes levied on prior year tax increment value	DOR DR420 TIF Sect II(7c)	\$ 176,067.00
Prior year payment as proportion of taxes levied on increment value	DOR DR420 TIF Sect II(7d)	9500%
Dedicated increment value	DOR DR420 TIF Sect II(7e)	\$ 28,945,235.00
Actual expended increment revenue	Audit (FUND BALANCES)	\$ -
Total Low and Moderate Housing Expended		\$ -

ASSESED PROPERTY VALUE



**Increase in
taxable value
over prior fiscal
year:
\$1,021,158**

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (UNAUDITED) Year Ended September 30, 2021

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Intergovernmental	\$ 288,325	\$ -	\$ 288,325
Investment Income	2,736	-	2,736
	<u>291,061</u>	<u>-</u>	<u>291,061</u>
TOTAL REVENUES	291,061	-	291,061
EXPENDITURES/EXPENSES			
Economic Environment	87,707	-	87,707
Capital Outlay	-	-	-
Depreciation	-	15,879	15,879
	<u>87,707</u>	<u>15,879</u>	<u>103,586</u>
TOTAL EXPENDITURES/EXPENSES	87,707	15,879	103,586
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>203,354</u>	<u>(15,879)</u>	<u>187,475</u>
CHANGE IN NET POSITION	203,354	(15,879)	187,475
FUND BALANCES/NET POSITION			
Beginning of the year	<u>379,864</u>	<u>524,571</u>	<u>936,835</u>
End of the year	<u>\$ 583,218</u>	<u>\$ 508,692</u>	<u>\$ 1,124,310</u>

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

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET (UNAUDITED) September 30, 2021

	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and Cash Equivalents	\$ 581,745	\$ -	\$ 581,745
Prepaid items	7,661	-	7,661
Capital Assets			
Nondepreciable	-	181,192	181,192
Depreciable, net	-	359,900	359,900
TOTAL ASSETS	<u>\$ 589,406</u>	<u>\$ 541,092</u>	<u>\$ 1,130,498</u>
LIABILITIES			
Accounts payable	\$ 5,124	-	\$ 5,124
Accrued payroll and related liabilities	1,064	-	1,064
TOTAL LIABILITIES	<u>6,188</u>	<u>-</u>	<u>6,188</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	7,661	(7,661)	-
Unassigned	575,557	(575,557)	-
TOTAL FUND BALANCES	<u>583,218</u>	<u>(583,218)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 589,406</u>		
Net position:			
Net investment in capital assets		541,092	541,092
Unrestricted		583,218	583,218
TOTAL NET POSITION		<u>\$ 1,124,310</u>	<u>\$ 1,124,310</u>

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

KEY CONTACTS



Community Services Department
65 Stone Street
Cocoa, FL 32922

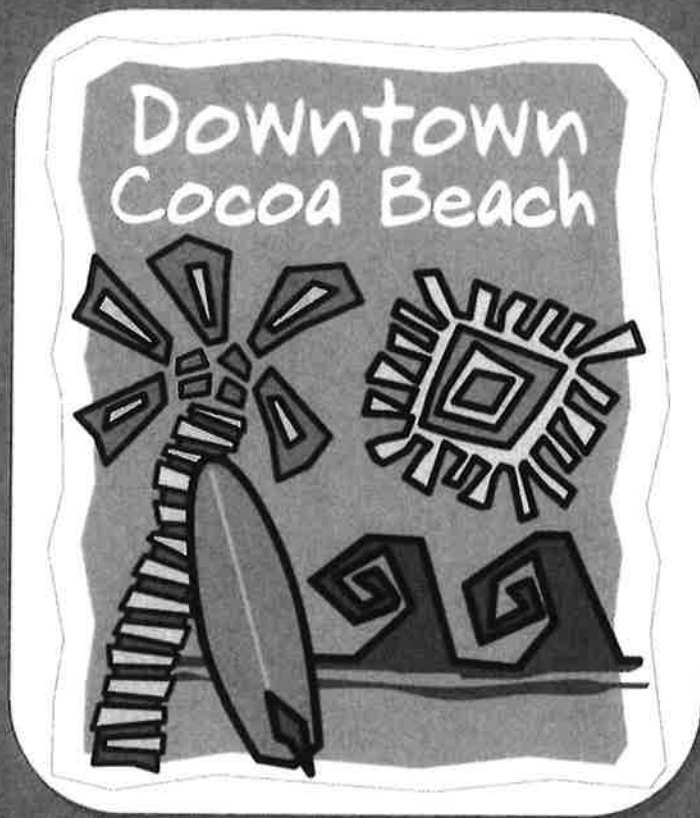


Stockton Whitten
City Manager
(321) 433-8737
swhitten@cocoafl.org



Charlene Neuterman
Community Services Interim
Director (321) 433-8509
cneuterman@cocoafl.org

DOWNTOWN COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY



2021 ANNUAL REPORT

Prepared by: CRA Administrator , MSL CPA's and Advisors , Carr, Riggs, and Ingram, LLC and City of Cocoa Beach Finance Department
March 2022



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- Redevelopment Area at a Glance
- Financials
- COVID-19 Pandemic
- Interlocal Agreement



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 storm water 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 the 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.



COMMUNITY REDEVELOPMENT AGENCY BOARD



Mike Miller

Skip Williams

Ben Malik

Karalyn Woulas

Ed Martinez

DCBCRA Board Members:

Commissioner Mike Miller
Commissioner Skip Williams
Mayor Ben Malik
Commissioner Karalyn Woulas
Commissioner Ed Martinez

Finance CFO : Eileen Clark
Deputy CFO: Patrisha Draycott

General Counsel Vose Law Firm
CRA Administrator Melissa Byron
Registered Agent and City Clerk
Loredana Kalaghchy

City of Cocoa Beach:

City Manager: James P. McKnight
*New City Manager Robin R.
Hayes ,February 2, 2022

MSL CPA 's and Advisors
Carr, Riggs, and Ingram, LLC



What is a CRA?

GOVERNING BODY OF CRA

A Community Redevelopment Agency (CRA) is a geographic area that meets the physical and/or economic conditions of a blighted area as defined in the Community Redevelopment Act 1969 (Florida Statutes, Chapter 163, Part III).

The area has to be formally designated by the local government as appropriate for redevelopment.

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.

Once the CRA is established, Tax Increment Financing (TIF) programs may be implemented.

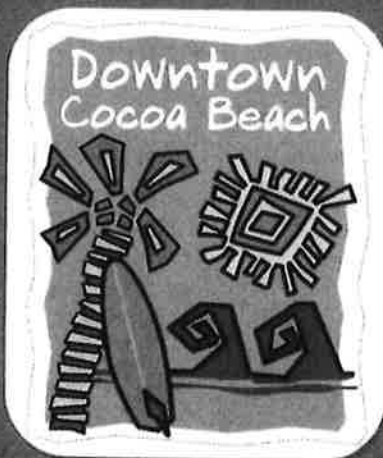
TIF programs are generally long-term, 30-year commitments.

CRA's have been created in other states throughout the country—Florida has over 140.

The Community Redevelopment Act specifies that the governing body of the CRA is separate from the governing body of the jurisdiction in which the area is located. However, the City Commission can be the Community Redevelopment Agency board, but must act as a separate and distinct agency.

A five to seven member Board, created by the local government, administers the activities and programs within the CRA. In Cocoa Beach, the City Commission is also the CRA Board. Each CRA district must maintain separate trust funds and expend those funds only in the district.

Annual budgets, financial reporting, and activity reports are also required by the Community Redevelopment Act.



HIGHLIGHTS

The City Commission began focusing on the Redevelopment of the City's downtown area in the 1990's. The City began a deliberate planning effort for the downtown area as part of the 2005, rewrite of the City Comprehensive Plan. 2020 saw the CRA focus on continuing marketing and maintaining the parking garage in downtown Cocoa Beach. The parking garage was also a prime objective in the CRA Vision Plan.

CRA revenues were also used for the following project:

- ♦ Preliminary concepts of a Cultural Green Space



HISTORY

Redevelopment of the City's historic downtown area has been a focus of the City Commission beginning in the 1990's. Following the enabling of area plans in the City's Comprehensive Plan in 2005, the City began a deliberate planning effort for the City's historic downtown area. The result of that 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 would "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. The content of the Downtown Cocoa Beach Redevelopment Plan includes:

- Executive Summary
- Chapter 1– Introduction
- Chapter 2– Existing Conditions
- Chapter 3– Vision, Mission and Philosophies
- Chapter 4– Redevelopment Plan
- Chapter 5– Financial Matters
- Chapter 6– Legal, Regulatory, and Statutory Components
- Chapter 7– Conclusion
- Appendices
- Market Assessment
- Vision Plan
- Low Impact Design Storm water Master Plan





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 08-128 on May 29, 2008.

With this authority, on August 20, 2009, the City Commission adopted Resolution No. 2009-20, finding the need for a CRA given the City's July 2009 "Finding of Necessity" as required by §163.355, Florida Statutes, 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.

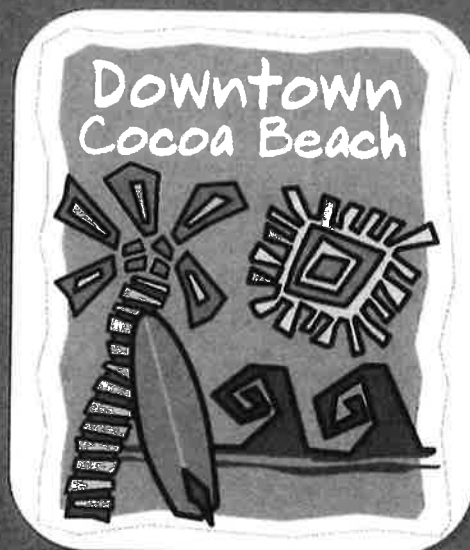
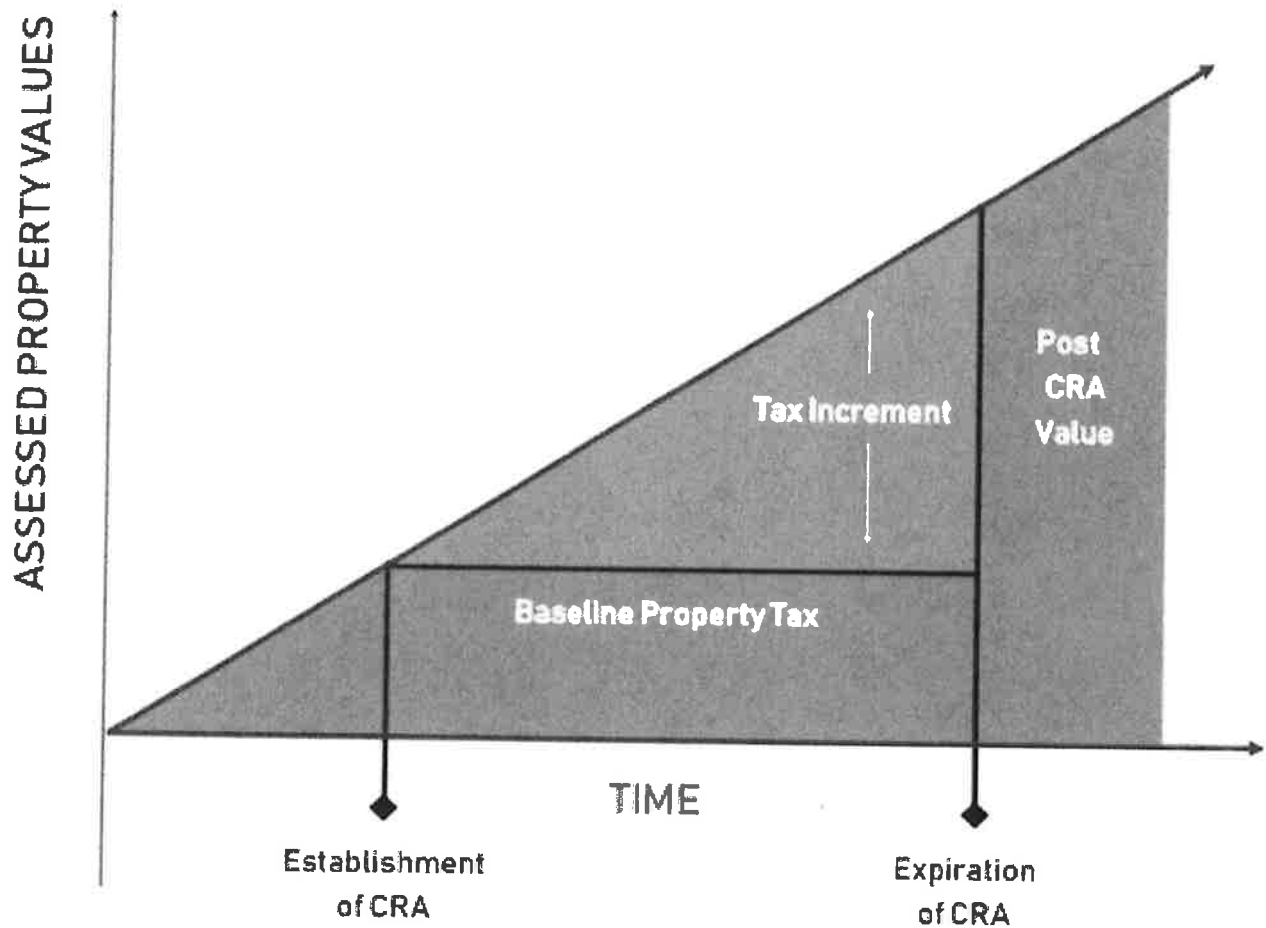
The City Commission adopted Resolution No. 2012-13 on May 17, 2012. The process toward adoption of the plan as required by Florida Statutes Chapter 163.360. The Plan was adopted following a review and recommendation by the City's Planning Board (local planning agency) as to the Plan's conformity with 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 a parking garage.

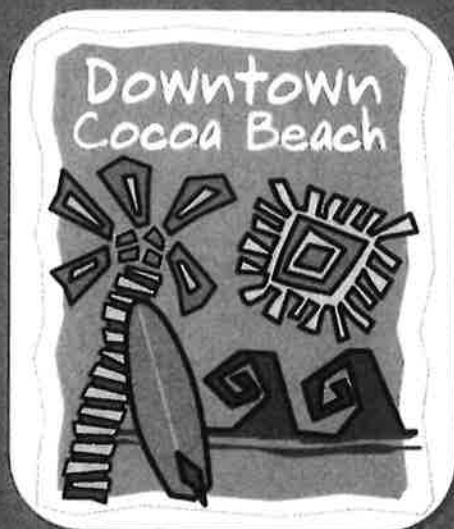
The DCBCRA is the City's only CRA district, and this is the eighth annual report for that agency. The DCBCRA signed an Interlocal Agreement with Brevard County Board of Commissioners February 2018, which is included in this report.

How CRA funding works



ASSESSED VALUES OVER LAST 9 YEARS

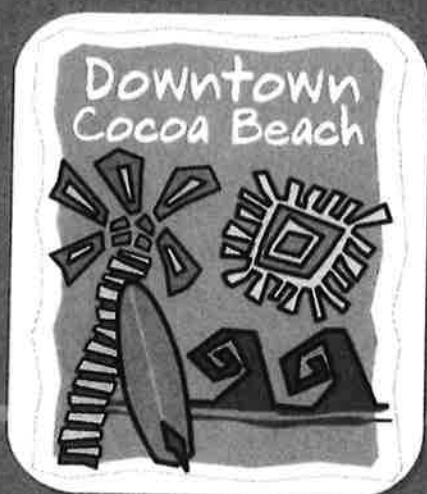
	ASSESSED VALUE
2008-Base year	\$ 118,031,690.00
2014	\$ 130,326,700.00
2015	\$ 144,861,700.00
2016	\$ 161,977,000.00
2017	\$ 176,352,730.00
2018	\$ 189,226,110.00
2019	\$ 197,339,050.00
2020	\$ 212,557,070.00
2021	\$ 228,158,640.00



Redevelopment Plan

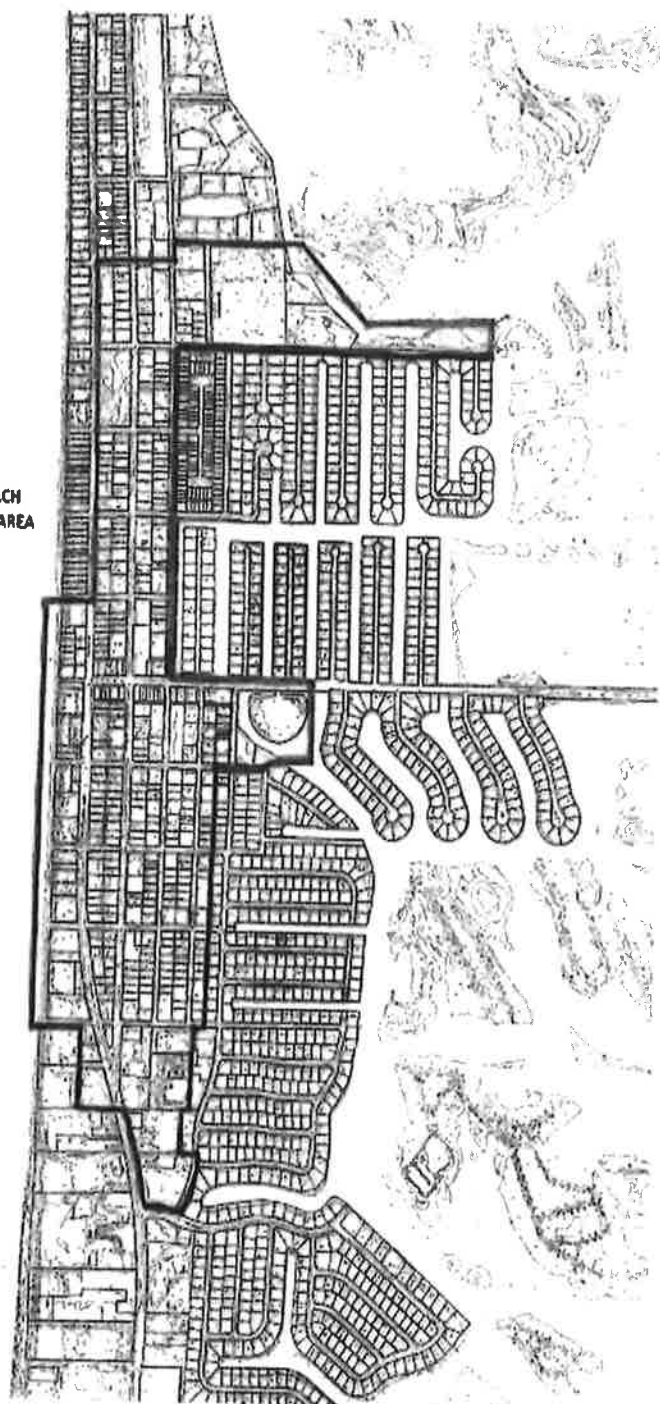
The Redevelopment Plan outlines the steps to revitalize Downtown Cocoa Beach CRA and maximize its future competitive advantage. The general premise of the plan seeks to:

- ◆ Promote a more walkable Village Center
- ◆ Support economic stability
- ◆ Promote and enhance the “surfing village” resort uses
- ◆ Protect residential neighborhoods from commercial intrusion.
- ◆ Expand broader mix of uses therefore, enhancing the downtown.
- ◆ Reinforce, preserve and expand the unique building types and neighborhood characteristics.



GEOGRAPHICAL BOUNDARIES

DOWNTOWN COCOA BEACH
REDEVELOPMENT AGENCY AREA



Redevelopment Area at a Glance– Downtown CRA Redevelopment*

REDEVELOPMENT AREA RESIDENTIAL

LAND USE TYPE	ACREAGE	ASSESSED VALUE \$
Vacant Residential MF	3.15	\$ 1,135,930.
Vacant Condo Common	0.11	\$ 400.
Vacant Condo Land	0.40	\$ 2,268,490.
Single Family	12.35	\$ 24,092,000.
Duplex as Single Family	1.82	\$ 5,415,990.
Townhouse	0.44	\$ 569,580.
Garden Apartment	0.9	\$ 1,104,100.
Low Rise	2.18	\$ 4,603,430.
Condo	24.55	\$ 103,536,220.
Condo Accessory	1.19	\$ 370.
2 Res. Units not attached	1.21	\$ 866,060.
Duplex	9.32	\$ 9,939,790.
Triplex	3.4	\$ 3,186,670.
3-4 Res. Units not attached	1.13	\$ 1,229,130.
Quad	1.93	\$ 3,165,590.
Multi-family	2.79	\$ 7,723,470.
SUBTOTAL	66.87	\$ 168,837,260.

Size: 235 acres (0.37
square miles)



Redevelopment Area at a Glance- Downtown CRA Redevelopment*

REDEVELOPMENT AREA COMMERCIAL

LAND USE TYPE	ACREAGE	ASSESSED VALUE DOLLARS
Vacant Commercial (1)	4.76	\$ 2,015,530.
Retail Commercial	17.93	\$ 19,437,300.
Mixed Use	7.51	\$ 11,292,010.
Office & Professional	13.68	\$ 12,867,890.
Restaurants	3.38	\$ 4,971,510.
Service Shops		\$ 2,402,810.
Commercial Auto	2.50	
Night Clubs/Bars	1.44	\$ 1,768,720.
Motor Inn	1.66	\$ 1,300,000.
Parking Lots		\$ 791,150.
Light Industry	3.52	\$ 1,693,930.
Churches	8.27	
Funeral Homes	0.37	\$ 539,130.
Clubs and Lodges	0.94	
Utilities	0.69	\$ 241,400.
Postal Facility		
Public Schools-Improved	12.00	
County Land- Improved (2)	6.05	
City Owned Property	11.71	
Roads and Right of Ways	71.00	
Subtotal	167.41	\$ 59,321,380.
TOTAL:	234.28	\$ 228,158,640.

Size: 235 acres (0.37 square miles)

Notes: (1) Includes Vacant Institution (2) Includes Environmentally Endangered Lands Program (EELS) * Not audited- December 2016 parcel data





2021 BUDGET

Fund: Community Redevelopment (CRA)

Account Codes: 125-9310 & 125-9320

	USES OF FUNDS				
	2018 Actual	2019 Actual	2020 Amended Budget	2020 Estimated	2021 Approved Budget
CRA OPERATING					
559 31-00 Professional Services	30,512	5,385	6,700	6,700	6,700
559 32-10 Auditor	—	1,656	2,000	2,000	2,000
559 40-00 Travel & Per Diem	—	—	750	—	—
559 45-05 General Liability	5,346	5,543	5,881	5,881	6,175
559 47-00 Printing and Binding	664	758	1,400	700	1,000
559 54-10 Publications & memberships	245	175	250	250	250
559 54-20 Training & Education	—	—	300	—	—
Subtotal CRA Operating	36,767	13,517	22,831	15,531	16,175
CRA DOWNTOWN GARAGE OPERATING					
559 34-20 Bank Charges	—	2,703	7,500	7,500	7,500
559 34-40 Support Services	—	7,367	25,930	18,500	19,000
559 45-15 Property Insurance	—	3,451	9,617	9,617	9,617
559 49-10 Electric	—	3,046	25,000	9,000	9,200
559 43-20 Water & Sewer	—	1,339	15,070	7,500	8,500
559 49-15 Other Current Charges	—	53	2,000	2,000	2,000
559 52-50 Other Supplies	—	6,051	7,500	5,000	5,000
Subtotal CRA Downtown Garage Operating	—	24,010	92,617	59,117	60,817
CAPITAL OUTLAY					
559 63-10 Improvements O/T Buildings - 15 Yrs	—	4,800,778	—	—	—
Subtotal Capital Outlay	—	4,800,778	—	—	—
GRANTS/AID					
559 82-00 Aid/Private Organizations	21,500	—	—	—	—
Subtotal Grants	21,500	—	—	—	—
TRANSFERS					
559 91-10 Repayment of Advance to General Fund	20,000	20,000	80,000	80,000	80,000
559 91-40 Repayment to Stormwater (Minutemen Project)	—	—	20,000	20,000	20,000
559 9320- 91-10 General Fund Maintenance Contrib.	—	—	7,315	7,315	7,315
Subtotal Transfers	20,000	20,000	107,315	107,315	107,315
DEBT					
559 71-00 Principal	—	220,000	311,261	311,261	323,316
559 72-00 Interest	93,915	180,350	176,673	176,673	164,018
559 73-00 Other Debt Costs	—	(18,740)	—	—	—
Subtotal Debt	93,915	381,610	487,934	487,934	487,334
DEBT SERVICE RESERVE					
590.00-10 Reserved Future Appropriations	4,500,465	(55,706)	162,325	65,460	334,822
TOTAL USES	4,672,647	5,224,210	769,204	735,357	1,006,413



Source of Funds

Fund: Community Redevelopment (CRA)

Account Codes: 125-0000

SOURCES OF FUNDS

	2018 Actual	2019 Actual	2020 Amended Budget	2020 Estimated	2021 Approved Budget
INTERGOVERNMENTAL					
330 10-00 Intergovernmental - City	245,375	329,850	395,632	395,632	468,507
330 20-00 Intergovernmental - County	177,936	227,138	259,257	259,230	296,546
TOTAL TAXES	423,311	556,988	654,889	654,862	765,053
CHARGES FOR SERVICES					
344. 60-15 Taxable Meter Fees	—	66,951	160,000	120,000	160,000
344. 60-20 Parking Citations	—	6,402	9,120	15,000	15,000
TOTAL CHARGES FOR SERVICES	—	73,353	169,120	135,000	175,000
MISCELLANEOUS REVENUES					
361 20-00 Interest on Investment	57,223	3,265	900	1,200	900
369 40-00 Misc. Other	—	90,139	—	—	—
TOTAL MISCELLANEOUS REVENUES	57,223	93,404	900	1,200	900
TOTAL REVENUES	480,534	723,745	824,909	791,062	940,953
FUNDS FORWARD					
389 99-10 Appropriated Fund Balance	4,192,113	4,500,465	(55,705)	(55,705)	65,460
TOTAL SOURCES	4,672,647	5,224,210	769,204	735,357	1,006,413

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.



No Personnel Scheduled

PERSONNEL SCHEDULE			
DEPARTMENT: Community Redevelopment (CRA)			
POSITION TITLE:	NUMBER OF POSITIONS		
	BUDGET 2020	CHANGE	BUDGET 2021
FULL-TIME			
	—	—	—
TOTAL FULL-TIME	—	—	—
PART-TIME			
	—	—	—
TOTAL PART-TIME	—	—	—
No personnel scheduled for FY 2021			
TOTAL PERSONAL SERVICES	—	—	—

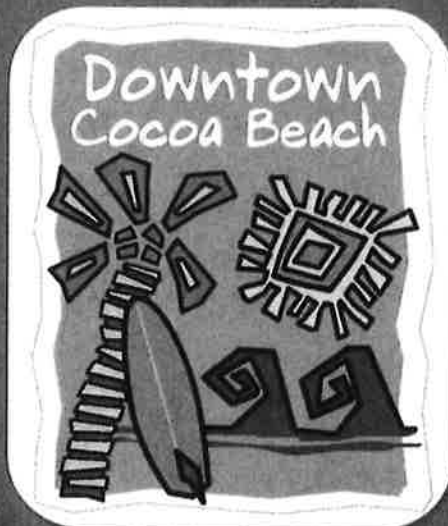
The Interlocal Agreement between the County and the City provides for up to 5% of county contribution that can be used for administration fees. The City has provided Administration of the DCBCRA at no charge.

First Quarter Expenses



CITY OF COCOA BEACH 125-9310 DOWNTOWN COMM REDEV FUND EXPENSE REPORT - 12/31/2020 25% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual December	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
31 00 Professional Services	0.700	-	4,192.30	2,507.50	63%	38%	37%
32 10 Auditor	2,000	-	-	2,000.00	0%	23%	100%
40 00 Travel & per diem	-	-	-	-	-	-	-
43 03 General liability	0.175	-	1,789.00	380.00	98%	09%	0%
47 00 Printing & binding	1,000	-	-	1,000.00	0%	23%	100%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	-	-	-	-	-	-	-
51 00 Office supplies	-	-	-	-	-	-	-
52 30 Other	-	-	-	-	-	-	-
54 10 Publications & membership	250	-	-	250.00	0%	23%	100%
54 20 Training and education	-	-	-	-	-	-	-
02 00 Buildings	-	-	-	-	-	-	-
71 00 Principal	371,310	-	240,000.00	83,310.00	74%	49%	20%
72 00 Interest	104,018	-	83,375.00	80,643.00	51%	20%	49%
73 00 Other Debt Service Costs	-	-	(12.02)	32.02	-	-	-
91 10 Trf to General Fund	87,315	609.38	81,828.78	1,486.22	94%	09%	0%
91 40 Stormwater Replat. Minutemen	20,000	-	20,000.00	-	100%	73%	0%
TOTAL	810,774	609.38	435,153.20	175,620.74	71%	48%	39%

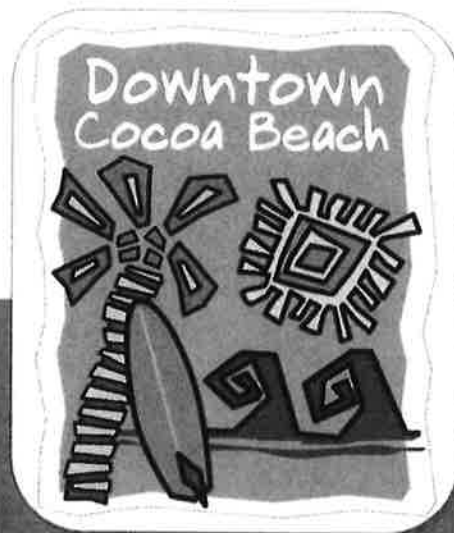


Second Quarter Expenses



CITY OF COCOA BEACH 125-9310 DOWNTOWN COMM REDEV FUND EXPENSE REPORT - 03/31/2021 50% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual March	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
31 00 Professional Services	6,700	1,974.80	6,107.30	532.70	92%	42%	8%
32 10 Auditor	2,000	-	-	2,000.00	0%	30%	200%
40 00 Travel & per diem	-	-	-	-	-	-	-
45 03 General liability	6,173	-	3,786.00	380.00	94%	44%	6%
47 00 Printing & binding	1,000	187.30	187.30	812.30	18%	31%	61%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	-	-	-	-	-	-	-
51 05 Office supplies	-	-	-	-	-	-	-
52 30 Other	-	-	1,722.00	(1,722.00)	-	-	-
58 10 Publications & membership	230	-	-	230.00	0%	30%	100%
54 20 Training and education	-	-	-	-	-	-	-
02 00 Buildings	-	-	-	-	-	-	-
71 00 Principal	323,310	-	240,000.00	83,310.00	74%	24%	26%
72 00 Interest	164,018	77,375.00	160,750.00	3,266.00	98%	48%	2%
73 00 Other Debt Service Costs	-	-	(32.02)	32.02	-	-	-
91 10 Trf to General Fund	97,813	609.38	83,657.52	3,057.48	98%	40%	4%
91 40 Stormwater Repty- Minutemen	20,000	-	20,000.00	-	100%	30%	0%
TOTAL	610,774	80,146.88	518,241.30	92,532.70	83%	33%	13%

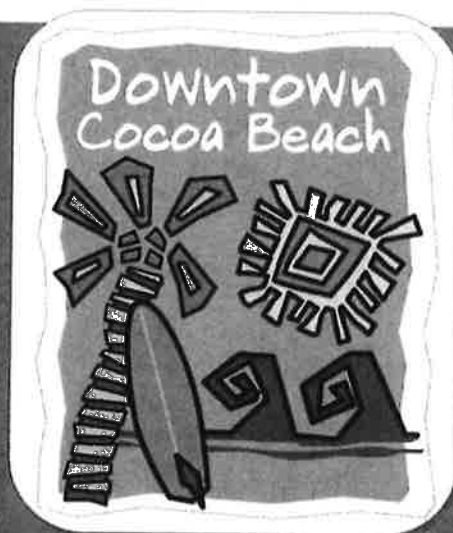


Third Quarter Expenses



CITY OF COCOA BEACH 125-9310 DOWNTOWN COMM REDEV FUND EXPENSE REPORT - 06/30/2021 75% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual June	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
11 00 Professional Services	6,700	-	9,803.11	(3,103.11)	147%	72%	-47%
32 10 Auditor	3,000	3,000.00	3,000.00	-	100%	25%	0%
40 00 Travel & per diem	-	-	-	-	-	-	-
43 03 General liability	6,175	-	3,789.00	386.00	61%	19%	8%
47 00 Printing & binding	1,000	-	187.50	812.50	19%	-56%	81%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	-	-	-	-	-	-	-
51 00 Office supplies	-	-	-	-	-	-	-
52 50 Other	-	-	1,722.00	(1,722.00)	-	-	-
54 10 Publications & membership	250	-	-	250.00	0%	-75%	100%
54 20 Training and education	-	-	-	-	-	-	-
62 00 Buildings	-	-	-	-	-	-	-
63 10 Improvements	30,000	-	-	30,000.00	0%	-75%	100%
71 00 Principal	323,316	-	240,000.00	83,316.00	74%	-1%	26%
72 00 Interest	164,018	-	160,730.00	3,268.00	98%	23%	2%
78 00 Other Debt Service Costs	-	-	(32.02)	32.02	-	-	-
81 10 Trf to General Fund	87,315	1,219.16	85,486.20	1,828.74	98%	23%	2%
91 40 Short-term Repay- Minutemen	20,000	-	20,000.00	-	100%	25%	0%
TOTAL	661,774	4,219.16	328,707.43	133,066.15	80%	5%	20%



Fourth Quarter Expenses



CITY OF COCOA BEACH 125-9310 DOWNTOWN COMM REDEV FUND EXPENSE REPORT - 09/31/2021 100% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual September	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
31 00 Professional Services	9,700	-	9,865.11	(165.11)	102%	2%	-2%
32 10 Auditor	3,000	-	3,000.00	-	100%	0%	0%
40 00 Travel & per diem	-	-	-	-	-	-	-
43 05 General liability	3,823	-	3,789.00	34.00	99%	-1%	1%
47 00 Printing & binding	700	-	187.30	512.70	27%	-0%	0%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	-	-	-	-	-	-	-
51 00 Office supplies	-	-	-	-	-	-	-
52 30 Other	-	-	1,722.00	(1,722.00)	-	-	-
54 10 Publications & membership	130	-	-	130.00	0%	-100%	100%
54 20 Training and education	-	-	-	-	-	-	-
62 00 Buildings	-	-	-	-	-	-	-
63 10 Improvements	43,000	-	-	43,000.00	0%	-100%	100%
71 00 Principal	323,316	-	240,000.00	83,316.00	74%	-20%	20%
72 00 Interest	164,018	-	160,750.00	3,268.00	98%	-2%	2%
73 00 Other Debt Service Costs	-	-	(32.02)	32.02	-	-	-
91 10 Trf to General Fund	87,313	809.38	87,313.00	-	100%	0%	0%
91 40 Stormwater Repay- Minutemen	20,000	-	20,000.00	-	100%	0%	0%
TOTAL	630,824	809.38	528,598.59	102,225.41	81%	-19%	19%



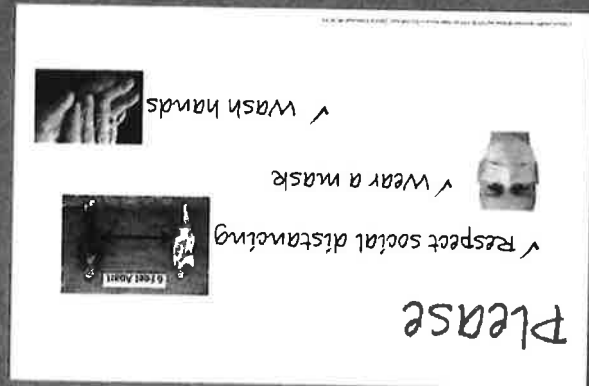
2021 and the Pandemic

The COVID-19 Pandemic was still impacting local CRA businesses in 2021. The CRA board is focusing on making Bond payments and providing maintenance funding due to uncertain economic times. Redevelopment in the CRA is evenly split on increased taxable values (residential=9.3% and Commercial= 9.5%) it is worth to note that residential properties in Cocoa Beach are in high demand because the inventory is in short supply. For example, in 2020 there was 182 home sales with an average sale price of \$515,000 and 398 condo sales with an average sale of \$300,000. However, in 2021 there was 155 homes sales with an average selling price of \$652,000 and 429 condo sales with an average sale price of \$356,000. The real estate market may change with the rise of interest rates but a short supply side may keep property values high well into 2022.

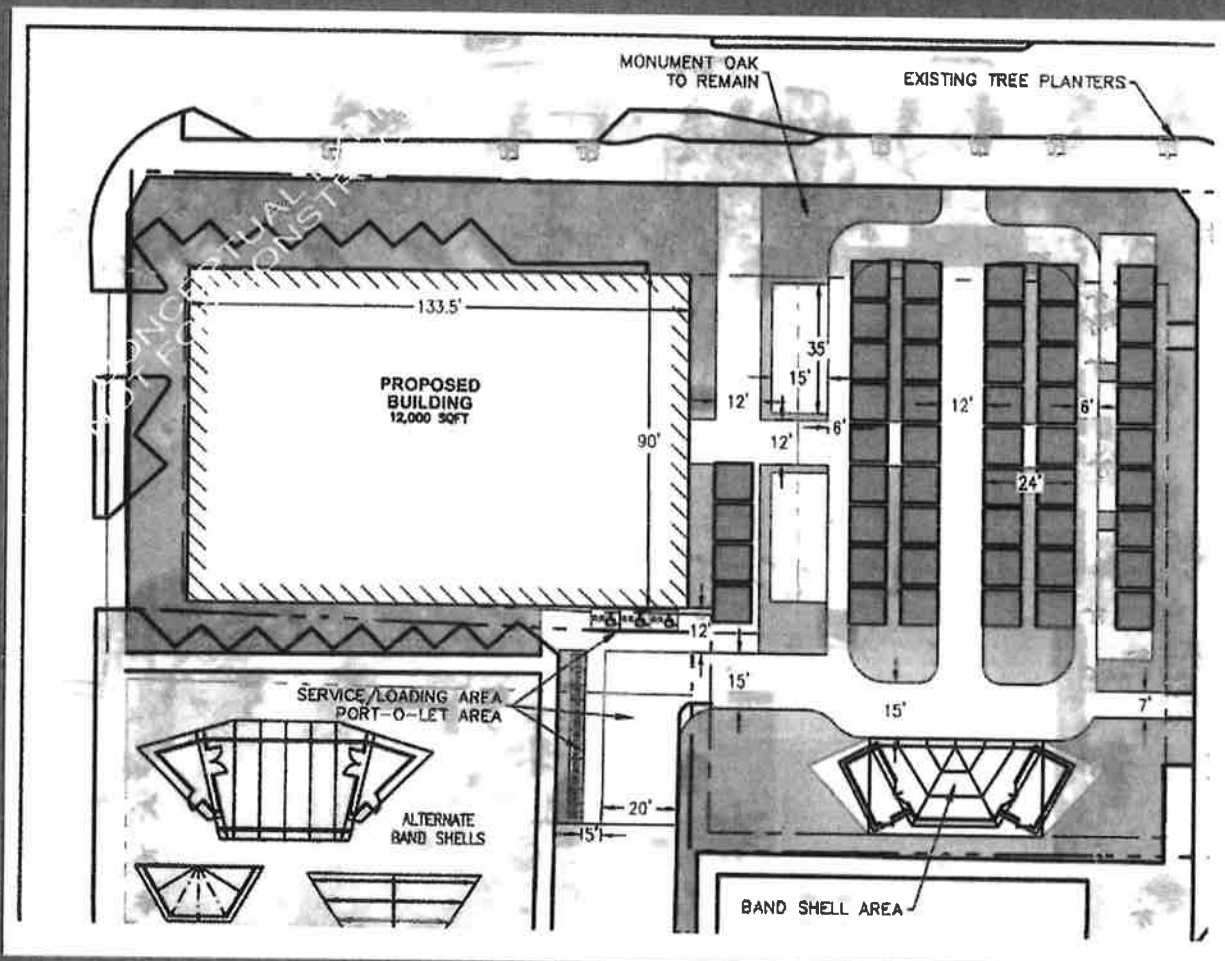
The uncertainty of the economy for the next few years and the knowledge that the parking garage will need specialized maintenance in the future (painting the parking space numbers, possible grouting of seams throughout, elevator re-pairs, and other unforeseen issues) has the CRA Board focusing on making bond payments and maintenance funding.



19



Future Plans: Cultural Green Space Concept



Property values in the CRA have consistently increased since 2008 (establishment of base year). This increase has allowed monies to be set aside for maintenance to assure the parking garage is maintained properly. The Bond documents do not allow for early payment until after year ten (10), therefore, this frees up monies to begin planning for satisfying another element of the Re-development Plan; provide for green space and cultural events for the CRA.

The City is planning on building a new City Hall in the future which will free up green space in the downtown area; seen in the picture is a conceptual drawing of the new proposed green space. This concept will provide a band shell, spaces for cultural activities (Cocoa Beach Art Show), and metal art sculptures, as well as, areas for citizens to enjoy outdoor eating and learning. The City will pay for the New City Hall with funds that it secures and the CRA would only pay for the Cultural Green Space plus demolition.

Interlocal Agreement

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT entered into the 6 day of February 2018, by and between the **CITY OF COCOA BEACH**, a Florida municipal corporation, (hereinafter 'the CITY'), the **CITY OF COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY**, (hereinafter 'the CRA'), and **BREVARD COUNTY**, a political subdivision of the State of Florida, in its own name and in behalf of each County Taxing Authority, as defined in section 2b., below, (hereinafter collectively called "the COUNTY").

WITNESSETH:

WHEREAS, on January 29, 2008, the citizens of the City of Cocoa Beach by referendum voted to authorize the establishment of a Downtown Community Redevelopment Agency (CRA); and,

WHEREAS, on April 3, 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; and

WHEREAS, the Brevard County Board of Commissioners, pursuant to Section 3. Conditions authorized the delegation of authority provided in Resolution No. 08-128 to the City of Cocoa Beach for a period of 25 years from the date of the creation of the City's Community Redevelopment Agency; and,

WHEREAS, the Downtown Cocoa Beach Community Redevelopment Agency is the only CRA, that has been approved by Brevard County, in the City of Cocoa Beach; and,

WHEREAS, with this authority, on August 20, 2009, the Cocoa Beach City Commission adopted Resolution No. 2009-20, finding the need for a CRA given the City's July 2009 "Finding of Necessity", as required by §163.355, Florida Statutes, in the possible creation of a CRA. This Resolution also identified the Redevelopment boundary area. and,

WHEREAS, the Cocoa Beach City Commission adopted Resolution No 2009-28 on November 19, 2009, establishing the Downtown Cocoa Beach Community Redevelopment Agency (CRA); and

WHEREAS, the County and City hereby find that collaboration in the advancement of these goals will be in the best interests of both the City and the County and will promote efficiency in the process.

WHEREAS, the CITY and COUNTY have continuously paid their respective full CRA Tax Increment Trust Fund ("TIF") payments required by § 163.387(1), Florida Statutes, and CITY Ordinance No. 837 to the CRA since the first fiscal year of the CRA's operation; and



Interlocal Agreement

WHEREAS, the COUNTY is facing certain budget issues relating to road maintenance, construction and reconstruction due to county charter restrictions on ad valorem tax revenues and other factors; and

WHEREAS, the COUNTY has evaluated multiple options to address these budget issues; and

WHEREAS, part of a solution to the County budget concerns would involve negotiation of an interlocal agreement with various cities and CRAs with the goal of working toward reducing or ceasing the County's future annual CRA TIF contributions in order to utilize those funds for road maintenance, construction, and reconstruction for road construction and reconstruction; and

WHEREAS, the CITY and COUNTY have enjoyed an excellent relationship over the years, and desire to cooperate in achieving the County's road program goals; and

NOW, THEREFORE, the parties mutually agree as follows:

1. **RECITATIONS.** The foregoing recitations are true and correct and are incorporated herein by reference.
2. **DEFINITIONS.** The terms below shall have the indicated meanings.
 - a. "Increment" or "Tax Increment" shall have the same meaning as "increment" as set forth in §163.387(1)(a), Florida Statutes.
 - b. "County Taxing Authority" means Brevard County, through its Board of County Commissioners and any County established Municipal Services Taxing Unit (MSTU) or dependent special districts in behalf of which the County levies taxes or approves a budget to the extent such MSTU or dependent special district is required to contribute a tax increment to the TIF established by the City for the CRA in accordance with the requirements of section 163.387, Florida Statutes.
3. **AUTHORITY.** This agreement is being entered into under the authority vested in the parties by §163.387(3)(b), Florida Statutes and, pursuant to that authority, supersedes any provision or requirement set forth in §163.387, to the extent of any conflict with this agreement and that statutory provision.
4. **EXPIRATION OF COUNTY CRA PAYMENT AND CRA.** In accordance with §163.387(3)(b), Florida Statutes, notwithstanding any provision in §163.387, Florida Statutes to the contrary, after December 15, 2033, the COUNTY shall no longer be required to contribute a tax increment of any amount to the CRA Trust Fund. The parties agree that the CRA shall expire on December 31, 2033 and that the CITY and COUNTY shall take such actions as may be required to terminate the CRA on that date.



Interlocal Agreement

5. **COUNTY TIF PAYMENT.** The COUNTY will continue its annual contribution to the CRA TIF as required by §163.387, Florida Statutes, in every fiscal year between FY 2017-2018 and FY 2033-2034, however, in no event shall the COUNTY continue to make a tax increment payment into the CRA TIF after December 15, 2033.

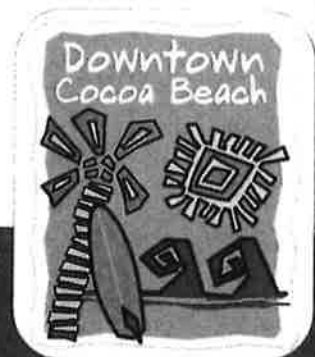
6. **COUNTY ADDITIONAL OBLIGATION.** The County agrees to abide by all of Section 1.A through dd- Attachment A- adopted County Resolution 08-128 through the expiration date of the CRA, as provided in that Resolution. With respect to Section 3.B of County Resolution 08-128, the County agrees to not revoke the delegation of authority to the CITY or to designate the Board of County Commissioners as the Community Redevelopment Agency prior to December 31, 2033.

7. **CITY USE OF TIF PAYMENT.** The CITY represents and agrees that the CITY shall apply no less than 75% of the annual COUNTY tax increment solely for the payment of debt service on bonds, the proceeds of which are dedicated to the payment of costs incurred by the CITY in the construction of a downtown parking garage.

CITY PAYMENT INTO CRA TIF. Nothing in this agreement shall be deemed to prevent the City from continuing to contribute into the CRA TIF through the expiration date of the CRA, which shall be December 31, 2033; provided, however, in no event shall the City be required to pay any amount that would violate prepayment provisions or other terms of the bonds; and further provided that City and CRA agree and acknowledge that no COUNTY tax increment will be available to pay any debt service on any CRA bonds after December 15, 2033.

8. **CITY ADDITIONAL OBLIGATIONS.**

- A. The City agrees to provide staff to support the Community Redevelopment Agency, whose duties shall include but not be limited to:
 - 1. To follow the Community Redevelopment Plan that was approved by the City and County that conforms with Sections §163.360 and §163.362, Florida Statutes.
 - 2. To administer any trust fund(s) established pursuant to Section §163.387, Florida Statutes, provided, the CITY and CRA agree to limit expenditures, from the County Increment, for administrative staff provided to the CRA to an amount not to exceed 5% of the total County increment.
 - 3. To ensure that tax increment funds are spent only on those purposes authorized in Section §163.387, Florida Statutes.
- B. The Cocoa Beach Downtown Redevelopment Agency (CRA) agrees not to extend, add or incur any indebtedness to the CRA pledging or requiring any payment of COUNTY tax increment or other COUNTY funds toward CRA debt service after December 31, 2033.



Interlocal Agreement

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 3. To ensure that tax increment funds are spent only on those purposes authorized in Section §163.387, Florida Statutes.
- B. The Cocoa Beach Downtown Redevelopment Agency (CRA) agrees not to extend, add or incur any indebtedness to the CRA pledging or requiring any payment of COUNTY tax increment or other COUNTY funds toward CRA debt service after December 31, 2033.



Interlocal Agreement

CITY:

City Manager/CRA Director
City of
Cocoa Beach
2 S. Orlando
Avenue
Cocoa Beach, FL 32931
(email address available at City
Website)

CRA:
Manager

CRA/Director C/O City
CRA of Cocoa Beach
2 S. Avenue
Cocoa Beach, FL 32931

COUNTY:

County Manager
2725 Judge Fran Jamieson
Way
Melbourne, FL 32940
(email address available at County
Website)

or to such other addresses such by notice in writing to any other parties.

14. **GOVERNING LAW.** The validity, construction and enforcement of and the remedies under this agreement shall be governed in accordance with the laws of the State of Florida, and venue of any proceeding shall be Brevard County, Florida.

15. **SAVINGS CLAUSE.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed on this the first date first above written.



Interlocal Agreement

CITY OF COCOA BEACH

By: James J. McKnight
Its: CITY MANAGER

CITY OF COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY

By: [Signature]
Its: CHAIR BOARD OF DIRECTORS

BREVARD COUNTY

By: [Signature]
Rita Pritchett, Chair

(was approved by the Board on Feb. 6, 2018)

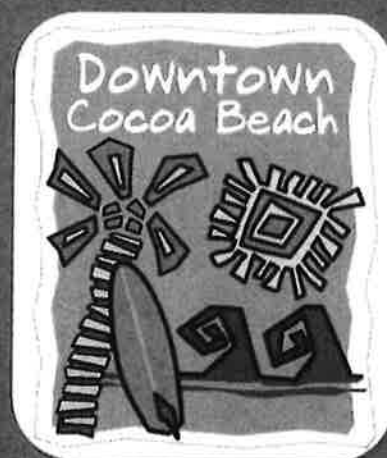
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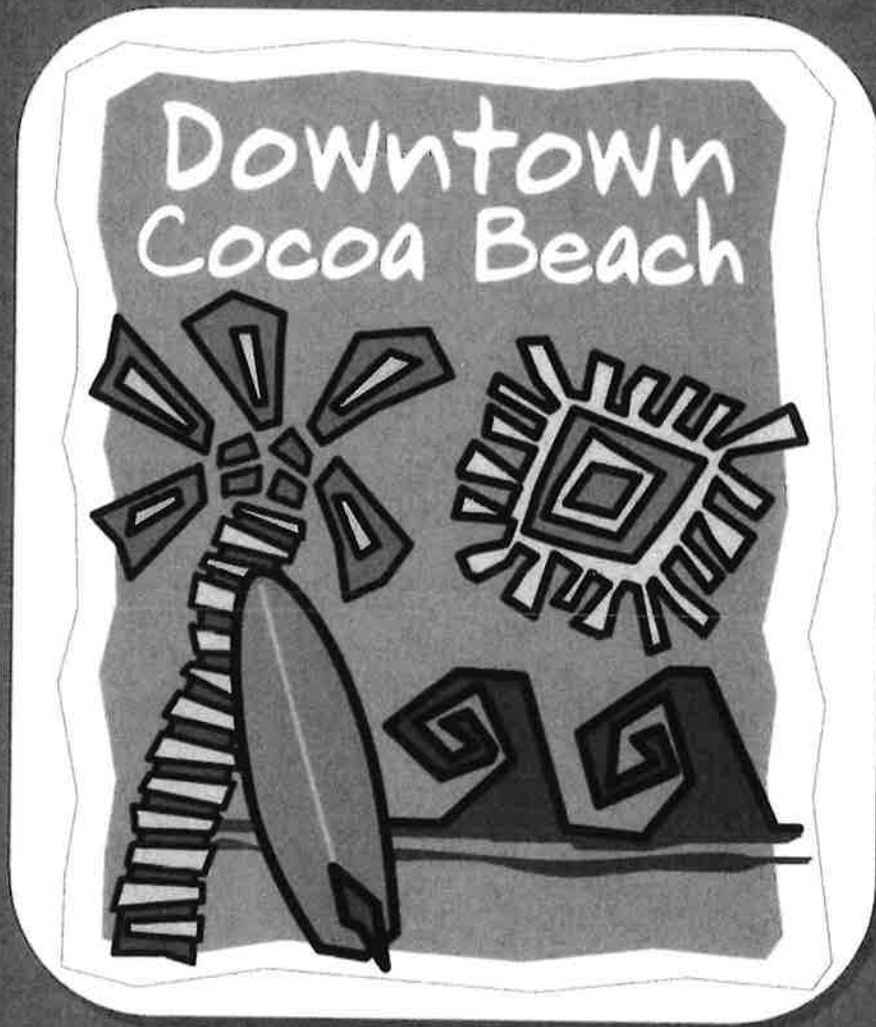
[Signature]
SCOTT ELLIS, CLERK



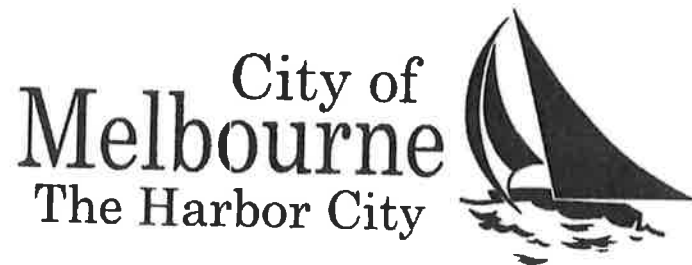
HIGHLIGHTS 2021

Re-Development, Renovations, and PARKING GARAGE...





Downtown Cocoa Beach Community
Redevelopment Agency
2 South Orlando Avenue
Cocoa Beach, Florida 32931



2021

City of Melbourne

Community Redevelopment Agency (CRA) Annual Report

Babcock Street CRA

2021 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 2021) from October 1, 2020 to September 30, 2021, including general information, current or completed projects, and financial information.

Specific financial information, such as assets, liabilities, income and operating expenses of the Babcock Street CRA trust fund, are part of this report. The 2021 CRA audit report is found in Appendix A. Balance sheets and statements of revenues and expenditures for the Babcock Street CRA are found in Appendix B.

A Babcock Street CRA map with district boundaries is included in Appendix C.

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

<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 C.

Tax Increment Finance (TIF) revenues have decreased slightly by .8% over the last budget cycle. The decrease in annual TIF is attributable to the dip in commercial property assessments resulting from the COVID 19 pandemic. Table 1 indicates valuations from the base year and January 1, 2021. The current 2021-2022 revenue from tax increment and interest income is \$1,190,773, which supports the current operating budget, CRA projects and CRA programs. The CRA is scheduled to spend its resources on large capital projects in fiscal year 2022.

TABLE 1 - BABCOCK STREET CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2021
Area 1	1997	\$66,708,980	\$178,325,103
Area 2	2001	\$7,579,380	\$10,274,850
Area 3	2004	\$311,060	\$375,380
Totals		\$74,599,420	\$188,975,333

The Babcock Street CRA is located within census tracts 4700, 4800 and 4201. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies all three census tracts as targeted populations and low-income communities¹. By this classification, these census tracts lack private capital investment because of their deficient demographics including 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	Unemployment Rate Times National Average
4700	71.48%	25.70%	23.20%	2.80
4800	65.61%	23.50%	12.50%	1.51
4201	70.17%	15.70	4.10%	0.49

¹ Source: U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI), 2011-2015 census data. *Targeted population* refers to individuals or an identifiable group of individuals meeting the requirements of 13 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 2021 were \$1,717,692 which includes operating expenditures, transfers/appropriations to capital projects, and capital project expenditures.

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

Projects and Programs

The Babcock Street 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 2020-2021 includes:

- One **Facade Improvement Program** project was completed:
 - The project is located at 1301-1441 South Babcock Street (DDR Melbourne, LLC, AKA Publix Plaza). Funding in the amount of \$39,534 was reimbursed. The project leveraged an estimated \$1.9 million in additional private investment. See Figure 1.
- The **Phase III B Medians Project** was completed along Babcock Street, from the FEC railroad, to south of Brevard Avenue. Project improvements include landscaped and hardscaped medians, a new continuous sidewalk along the east side, pedestrian and vehicular lighting, water and sewer lines, and storm water improvements. In FY 2021, the CRA spent \$528,152 on construction and engineering expenses. The project is funded from multiple sources including, CRA, General Fund, Water & Sewer Funds, and Impact Fees. Overall City and CRA investment were in excess of \$3.5 million. The CRA portion of the funding was \$2,206,735 to the project. See Figure 2.
- The **MLK² Boulevard South Bound Right Turn Lane Project** is substantially designed and engineered. In FY 2021 the CRA expended \$32,374 in engineering services. The project will add a new southbound right-hand turn lane from Dr. Martin Luther King Jr. Boulevard to NASA Boulevard, enhancing capacity of the roadway. City staff is working with the Melbourne Orlando International Airport to acquire right-of-way. See Figure 3.
- The **NASA Landscape Medians Project** was completed in FY 2021. CRA expenditures on this project in FY 2021 was \$97,135. Enhanced landscape, and irrigation utilizing the City's re-use utilities, improved the appearance of this Melbourne-Orlando Airport corridor of NASA Boulevard.

During the reporting period there were a total number of four projects under development. Three projects were completed and one project was started. Information related to expenditures and estimated costs can be found in Table 3.

² 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*.

TABLE 3 - BABCOCK STREET CRA PROJECT LIST

Project	Name	FY 2021 Expenditure	Estimated Cost	Status
1	Façade Improvement Program Projects	\$39,534	\$39,534	Complete
2	Phase III B Medians Project	\$831,515	\$2,206,735 ³	completed
3	MLK Boulevard South Bound Right Turn Lane	\$32,542	\$1,300,000	Started
4	NASA Landscape Medians	\$97,135	\$250,450	completed

Goals

The Babcock Street CRA is scheduled to sunset in 2024 and has prioritized projects and initiatives through sunset to include the following:

- Begin the design and engineering for the Apollo Boulevard Sidewalk Connections Project, between Hibiscus to NASA, including Bulldog;
- Begin the design and engineering for the NASA Boulevard Bus Turn- Out and Shelters Project;
- Continue funding and promotion of the Façade Improvement Program;
- Complete engineering and design of the southbound MLK Boulevard Right Turn Lane Project, and bid the project before the end of 2022; and
- Support the Community Policing Program's merchant outreach initiatives.

³ \$2,206,735 represents CRA funding contribution. The total cost of improvements for the Phase III B medians project is anticipated to be \$3.5 million funded from multiple sources (General Fund, Water & Sewer, Impact Fees)

Project and Program Images

Before



After



FIGURE 1 – 201 S. BABCOCK STREET FACADE IMPROVEMENT BEFORE & AFTER



FIGURE 2 - BABCOCK STREET PHASE III-B MEDIANS – COMPLETED

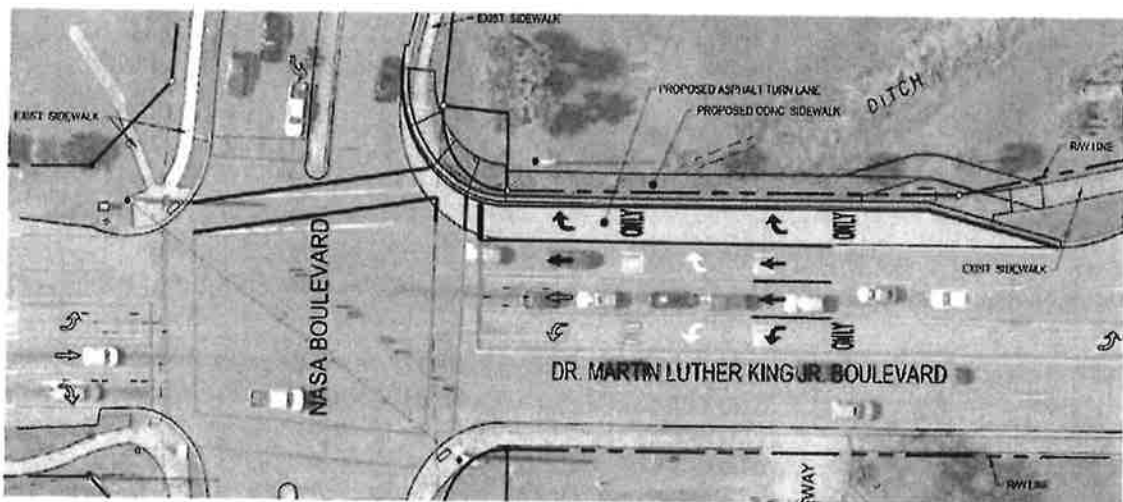


FIGURE 3 – MARTIN LUTHER KING BOULEVARD SOUTH BOUND RIGHT TURN LANE- PRELIMINARY DESIGN

Appendix A – 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

2021

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2021

**Babcock Street Community
Redevelopment Agency**

**Annual
Financial Report**

For The Fiscal Year Ended September 30, 2021

CRA BOARD

Paul S. Alfrey	Mayor
Timothy R. Thomas	Vice Mayor, District 1
Mark LaRusso	District 2
Yvonne Minus	District 3
Deborah Thomas	District 4
Mimi Hanley	District 5
Julie Sanders	District 6

ADVISORY COMMITTEE

Nancy Garmer	Chairman
Jennifer Cope	Vice Chairman
Kristin Diederich	Member
Karen Harshaw	Member
Neil Long	Member
James Lee Turman, Jr.	Member
Molly Tasker	Member

Prepared by: Financial Services Department

BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2021

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Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

(321) 255-0088
(321) 259-8648 (fax)
www.cricpa.com

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities and major fund of the Babcock Street Community Redevelopment Agency, as of and for the year ended September 30, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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, 2021, 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.

Other Matters

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 pages 21-23 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Babcock Street Community Redevelopment Agency's basic financial statements. The project revenues and expenditures schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The project revenues and expenditures schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the project revenues and expenditures schedule is fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2022 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, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 4, 2022

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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, 2021. 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 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.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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 14-20 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 21-23 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, liabilities exceeded assets by \$42,072.

The net investment in capital assets represents \$275,793 of the net position. These assets are not available for future spending. The unrestricted net position represents the amount the liabilities exceed existing current and other assets.

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2021	2020	Amount
Assets			
Current and other assets	\$ 571,491	\$ 366,313	\$ 205,178
Capital assets	275,793	275,793	-
Total assets	847,284	642,106	205,178
Liabilities			
Long-term liabilities outstanding	597,158	880,678	(283,520)
Other liabilities	292,198	280,034	12,164
Total liabilities	889,356	1,160,712	(271,356)
Net position			
Net investment in capital assets	275,793	275,793	-
Unrestricted	(317,865)	(794,399)	476,534
Total net position	\$ (42,072)	\$ (518,606)	\$ 476,534

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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

Changes in Net Position				
	Governmental Activities		Increase (Decrease)	
	2021	2020	Amount	Percent
Revenue				
Program revenue:				
Operating grants and contributions	\$ 1,170,773	\$ 1,114,055	\$ 56,718	5.09%
General revenue:				
Investment earnings	22,895	38,920	(16,025)	(41.17%)
Total revenues	1,193,668	1,152,975	40,693	3.53%
Expenses:				
General government	252,009	227,193	24,816	10.92%
Interest on long-term debt	25,125	45,049	(19,924)	(44.23%)
Total expenses	277,134	272,242	4,892	1.80%
Change in net position before transfers	916,534	880,733	35,801	4.06%
Transfers to primary government	(440,000)	(564,627)	124,627	(22.07%)
Change in net position	476,534	316,106	160,428	50.75%
Net position - October 1,	(518,606)	(834,712)	316,106	(37.87%)
Net position - September 30	\$ (42,072)	\$ (518,606)	\$ 476,534	(91.89%)

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 (\$317,865), an increase of \$476,534 in comparison with the prior year. The net change in fund balance was \$160,428 higher than the prior year due to higher incremental tax revenues of approximately \$57,000 and \$100,000 less in transfers out for work on Martin Luther King, Jr. Blvd.

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 21 of the RSI section.

The variance between the final budget and the actual results reflects total revenues exceeding budget by \$2,895, and total expenditures and transfers out of \$493,602 less than appropriated. These factors caused the change in fund balance to be \$496,497 higher than budgeted.

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2021 total \$275,793 (net of accumulated depreciation). The capital assets include land and machinery and equipment.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Capital Assets

	Governmental Activities	
	2021	2020
Land	\$ 275,793	\$ 275,793
Total capital assets, net of depreciation/amortization	\$ 275,793	\$ 275,793

Additional information on the Agency's capital assets can be found in Note (3) B on pages 19 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 NET POSITION
SEPTEMBER 30, 2021

ASSETS	<u>Governmental Activities</u>
Equity in pooled investments	\$ 569,901
Interest receivable	1,590
Capital assets:	
Nondepreciable:	
Land	275,793
Depreciable:	
Machinery and equipment	25,184
Less accumulated depreciation/amortization	(25,184)
Total assets	<u>847,284</u>
 LIABILITIES	
Accounts payable	1,389
Accrued payroll expenses	7,289
Due to primary government	283,520
Due in more than one year:	
Advances from primary government	597,158
Total liabilities	<u>889,356</u>
 NET POSITION	
Net investment in capital assets	275,793
Unrestricted	(317,865)
Total net position	<u>\$ (42,072)</u>

The accompanying notes are an integral part of this statement.

BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

<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	\$ 252,009	\$ 1,170,773	\$ 918,764
Interest on long-term debt	25,125	-	(25,125)
Total	<u>277,134</u>	<u>1,170,773</u>	<u>893,639</u>
	General Revenues:		
			22,895
			(440,000)
			<u>(417,105)</u>
		Change in net position	476,534
		Net position, October 1	(518,606)
		Net position, September 30	<u>\$ (42,072)</u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2021**

ASSETS

Equity in pooled investments	\$ 569,901
Interest receivable	<u>1,590</u>
 Total assets	 <u><u>\$ 571,491</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 1,389
Accrued payroll expenditures	7,289
Due to primary government	283,520
Advances from primary government	<u>597,158</u>
 Total liabilities	 <u>889,356</u>

Unassigned fund deficit	<u>(317,865)</u>
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Total liabilities and fund balance	<u><u>\$ 571,491</u></u>
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The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

Total *fund balance* for governmental fund \$ (317,865)

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	\$ 275,793	\$ -	
Machinery and equipment	25,184	(25,184)	
Total capital assets	<u>\$ 300,977</u>	<u>\$ (25,184)</u>	<u>275,793</u>
Net position of governmental activities			<u>\$ (42,072)</u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

REVENUES

Intergovernmental	\$ 1,170,773
Investment earnings	<u>22,895</u>
Total revenues	<u>1,193,668</u>

EXPENDITURES

Current:	
General government	252,009
Debt service:	
Interest	<u>25,125</u>
Total expenditures	<u>277,134</u>

Excess of revenues over expenditures	<u>916,534</u>
--------------------------------------	----------------

OTHER FINANCING USES

Transfers out to primary government	<u>(440,000)</u>
Net change in fund balance	476,534
Fund deficit, October 1	<u>(794,399)</u>
Fund deficit, September 30	<u><u>\$ (317,865)</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, 2021**

Net change in <i>fund balance</i> - governmental fund	\$ 476,534
	<u> </u>
Change in net position of governmental activities	\$ 476,534
	<u> </u>

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, 2021**

(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

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, 2021**

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, 2021, 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 respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

Classification	Range of
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, 2021**

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, 2021, 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, 2021, the carrying amount of the City of Melbourne's deposits with banks was \$12,747,054 and the bank balance was \$12,561,618.

As of September 30, 2021, 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. 3511 on September 8, 2016, 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, 2021

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, 2021**

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Deletions	Balance September 30, 2021
Capital assets, not being depreciated/amortized:				
Land	\$ 275,793	\$ -	\$ -	\$ 275,793
Total capital assets, not being depreciated/amortized	275,793	-	-	275,793
Capital assets, being depreciated/amortized:				
Machinery and equipment	25,184	-	-	25,184
Total capital assets, being depreciated/amortized	25,184	-	-	25,184
Less accumulated depreciation/amortization:				
Machinery and equipment	25,184	-	-	25,184
Total accumulated depreciation/amortization	25,184	-	-	25,184
Total capital assets, being depreciated/amortized, net	-	-	-	-
Governmental activities capital assets, net	\$ 275,793	\$ -	\$ -	\$ 275,793

Depreciation/amortization expense charged to functions/programs of the Agency was \$0.

C. ENCUMBRANCE COMMITMENTS

At September 30, 2021, the Agency had no encumbrance commitments.

D. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables of the Agency at September 30, 2021, are summarized below.

	Due From	Due To
Primary Government (General fund)	\$ 283,520	\$ -
Agency	-	283,520
Totals	\$ 283,520	\$ 283,520
	Advance To	Advance From
Primary Government (General fund)	\$ 597,158	\$ -
Agency	-	597,158
Totals	\$ 597,158	\$ 597,158

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 1, 2021 the remaining balance is \$880,678 and is expected to be paid off on September 1, 2024.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

E. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2021 are as follows:

	Primary Government (General Construction fund)	Agency	Total
Primary Government (General Construction fund)	\$ 440,000	\$ -	\$ 440,000
Agency	-	(440,000)	(440,000)
Total Transfers out	<u>\$ 440,000</u>	<u>\$ (440,000)</u>	<u>\$ -</u>

Significant transfers included \$440,000 from the Agency to the General Construction fund of the City for a right turn lane at Dr. Martin Luther King, Jr. Boulevard.

(4) OTHER INFORMATION

A. CONTINGENCIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic which is still going on. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Agency. The occurrence and extent of such an impact will depend on future developments, including: (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

B. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 4, 2022, and determined there were no events that occurred that required disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION
BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,170,773	\$ 1,170,773	\$ 1,170,773	\$ -
Investment earnings	20,000	20,000	22,895	2,895
Total revenues	1,190,773	1,190,773	1,193,668	2,895
EXPENDITURES				
Current:				
General government	436,428	456,391	252,009	204,382
Debt service:				
Principal	273,933	273,933	-	273,933
Interest	40,412	40,412	25,125	15,287
Total expenditures	750,773	770,736	277,134	493,602
Excess of revenues over expenditures	440,000	420,037	916,534	496,497
OTHER FINANCING USES				
Transfers out to primary government	(440,000)	(440,000)	(440,000)	-
Net change in fund balance	-	(19,963)	476,534	496,497
Fund deficit, October 1	(794,399)	(794,399)	(794,399)	-
Fund deficit, September 30	\$ (794,399)	\$ (814,362)	\$ (317,865)	\$ 496,497

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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

\$ 277,134

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.

\$ 277,134

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, 2021 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis)

\$ 476,534

Adjustments:

Encumbrances

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis)

\$ 476,534

SUPPLEMENTARY INFORMATION
BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

<u>Project Number</u>	<u>Project name</u>	<u>Expenditures ⁽¹⁾</u>	<u>Committed ⁽²⁾</u>	<u>Total</u>	<u>Transfers in ⁽³⁾</u>
10216	Babcock Street Median Enhancements from Apollo Blvd to Brevard Drive	\$ 831,515	\$ 156,939	\$ 988,454	\$ -
14419	Babcock CRA Martin Luther King Blvd Southbound Right Turn	32,542	13,012	45,554	440,000
18199	Babcock Façade Improvement Program	19,572	-	19,572	-
18615	Babcock CRA Nasa Blvd Landscape and Irrigation Installation in the Medians	97,054	-	97,054	-
14118	Babcock Street Reconstruction	29,500	161,569	191,069	-
		<u>\$ 1,010,183</u>	<u>\$ 331,520</u>	<u>\$ 1,341,703</u>	<u>\$ 440,000</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.



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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*

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, 2021, 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 4, 2022.

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 the 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 may exist that have not been identified.

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

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, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 4, 2022



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INDEPENDENT AUDITORS' 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, 2021, and have issued our report thereon dated March 4, 2022.

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 Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' 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 March 4, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)4., 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 audit report. However, no recommendations were made in the preceding 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 authorities for the Babcock Street Community Redevelopment Agency are 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 of the specific condition(s) met. In connection with our audit, we determined that 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.

Specific Information (UNAUDITED)

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

- | | |
|---|-------------|
| a. The total number of District employees compensated in the last pay period of the District's fiscal year as | None |
| b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's 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 District that is scheduled to begin after October 1 of the fiscal year being reported, together with the total expenditures for such projects.

Project	Budget	Expenditures
(#14419) Babcock CRA Martin Luther King Jr Blvd Southbound Right Turn Lane	\$ 1,260,000	\$ 84,008

- 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:

See Page 21

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 millage rate or rates imposed by the District. | 6.8685 |
| The millage rate or rates imposed by the County. | 3.6929 |
| b. The total amount of ad valorem taxes collected by or on behalf of the District. | \$ 761,401 |
| The total amount of ad valorem taxes collected by or on behalf of the County. | \$ 409,372 |
| c. The total amount of outstanding bonds issued by the District and the terms of such bonds as | None |

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 rate or rates of non-ad valorem special assessments imposed by the District as | None |
| b. The total amount of special assessments collected by or on behalf of the District as | None |
| c. The total amount of outstanding bonds issued by the District 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 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

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 4, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 163.387 (6) AND SECTION 163.387(7), 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(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2021. 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 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2021.

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 4, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
City of Melbourne, Florida

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, 2021. 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 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 as 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.

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*, for the year ended September 30, 2021.

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 4, 2022

Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
BABCOCK REDEVELOPMENT
SEPTEMBER 30, 2021**

ASSETS

Equity in pooled investments	\$	569,901
Interest receivable		<u>1,590</u>
 Total assets	 \$	 <u><u>571,491</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$	1,389
Accrued payroll expenditures		7,289
Due to other funds		283,520
Advances from other funds		<u>597,158</u>
 Total liabilities		 <u>889,356</u>
 Unassigned fund deficit		 <u>(317,865)</u>
 Total liabilities and fund balance	 \$	 <u><u>571,491</u></u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BABCOCK REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

REVENUES

Intergovernmental	\$ 1,170,773
Investment earnings	<u>22,895</u>
Total revenues	<u>1,193,668</u>

EXPENDITURES

Current:	
General government	252,009
Debt service:	
Interest	<u>25,125</u>
Total expenditures	<u>277,134</u>

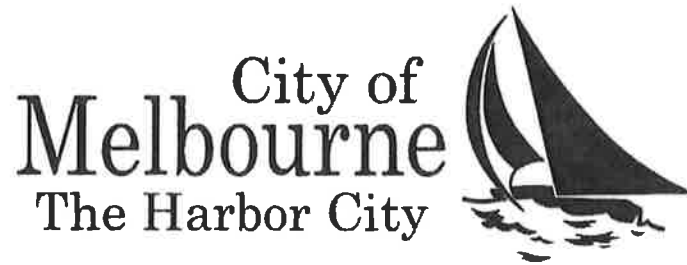
Excess of revenues over expenditures	<u>916,534</u>
--------------------------------------	----------------

OTHER FINANCING USES

Transfers out	<u>(440,000)</u>
Net change in fund balance	476,534
Fund deficit, October 1	<u>(794,399)</u>
Fund deficit, September 30	<u><u>\$ (317,865)</u></u>

Appendix C – CRA Map





2021

· City of Melbourne

Community Redevelopment Agency (CRA) Annual Report

Melbourne Downtown CRA

2021 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 2021) from October 1, 2020 to September 30, 2021, including general information, current or completed projects, and financial information.

Specific financial information, such as assets, liabilities, income and operating expenses of the Melbourne Downtown CRA trust fund, are part of this report. The 2021 CRA audit report for the Melbourne Downtown CRA is found in Appendix A. Balance sheets and statements of revenues and expenditures for the Melbourne Downtown CRA are found in Appendix B.

A district map with boundaries is included for the Melbourne Downtown CRA 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 C.

Tax Increment Finance (TIF) revenues have increased over the last budget cycle, with an increase of 12%. This increase in revenues is attributable to the Highline Residential Mixed-Use Project, which had a first-year taxable assessment at over \$21 million. Table 1 indicates valuations from the base year and January 1, 2021. The current 2021-2022 revenue from tax increment and interest income is \$1,606,203 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, 2021
Area 1	1982	\$23,595,020	\$166,924,712
Area 2	2006	\$19,599,330	\$44,124,100
Totals		\$43,194,350	\$211,048,812

The Melbourne Downtown CRA is located within census tracts 4800, 4902 and 4700. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies all three census tracts as targeted populations and low-income communities¹. By this classification, these census tracts lack private capital investment because of their deficient demographics including 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 - MELBOURNE DOWNTOWN CRA CENSUS INFORMATION

Census Tract	Median Income as % of Area Median	Poverty Rate	Unemployment Rate	Unemployment Rate Times National Average
4800	65.61%	23.50%	12.50%	1.51
4902	36.26%	37.30%	19.50%	2.35
4700	71.48%	25.70%	23.20%	2.80

¹ Source: U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI), 2011-2015 census data. *Targeted population* refers to individuals or an identifiable group of individuals meeting the requirements of 13 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 2021 were \$4,015,351, which includes operating expenditures, transfers/appropriations to capital projects, capital project expenditures, and bond finance appropriation.

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 2020-2021 includes:

- Two **Façade Improvement Program** projects were completed and grant funding in the amount of \$40,000 was reimbursed. The first project was at 845 E. New Haven (Arbos Holdings, LLC) See Figure 1. The second project was 1515 S. Harbor City Boulevard (VPN Investments, LLC) The projects leveraged an estimated \$126,000 in additional private investment.
- **South Expansion Streetscape Project:**
 - **Phase I** comprises the US 1 corridor from the Crane Creek Bridge to W.H. Jackson Street, and has received a commitment of funding from the Space Coast Transportation Planning Organization (TPO); however, the funding will not be available until July of 2024. Thereby, the construction would commence in FY 2025. The TPO commitment of \$1.7 million will be combined with the CRA's contribution and the CRA contribution to this project is anticipated to be approximately \$750,000. The total project is estimated to be \$2.4 million.
 - **Phase II** comprises the US 1 corridor from W. H. Jackson Street to University Boulevard. This second phase has also been submitted to the TPO for funding. It has received acknowledgement and is ranked as a future priority of the TPO. The CRA has begun preliminary design work in collaboration with the Florida Department of Transportation for access management and permitting purposes. In 2021 the CRA had spent \$19,517 on the preliminary design work.
- The **West Crane Creek Pedestrian Bridge Project** has been included in the CRA's capital improvement program since 2012. With an estimated cost of \$1.5 million, additional sources of funding would need to be obtained. Staff will explore the possibility of applying for a grant from the Florida Inland Navigational District (FIND) to supplement the project. As engineering and design work will be necessary for FIND submittal, the CRA has appropriated a total of \$440,000 for this project.
- The **Archway/Gateway Refurbish Project** was under construction in 2021. While only \$284 was expended in 2021, the construction will be completed in FY 2022. It is anticipated that the project represents approximately \$130,000 of CRA investment.
- **The Riverview Park Non-Motorized Boat Launch & Powerline Burial** commenced and the CRA has completed plans at 60% for the construction of the new boat launch. Additionally, the CRA is coordinating a work order with Florida Power & Light to relocate the power lines. In FY 2021 the CRA expended \$9,105 in Engineering services.
- 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. This Program is due to expire on December 31, 2024. There was one project under construction in FY 2021

- Approved on August 14, 2018, **801 Strawbridge Hotel, LLC** (aka Hilton Tapestry/Hotel Melby) was completed in April of 2021, and was completely operational by June of 2021. Consisting of a 156-room boutique hotel and 170 spaces of structured parking, this project also included off-site public improvements to the Waverly Place alley, valued at \$195,000. See Figure 2. The developer has dedicated a minimum of 30 spaces for public parking, providing pedestrian easements, and public streetscape enhancements. The project represents approximately \$35 million of new investment. The City of Melbourne secured a \$2 million HUD Section 108 Loan Guarantee on behalf of the developer and the CRA committed approximately \$807,000 net present value (NPV) of future TIF, after the hotel is constructed. The developer exceeded their full-time equivalent (FTE) job commitment to the City and CRA. The developer reported 76 FTE jobs.

During the reporting period, there were a total number of ten projects under various levels of development. Eight projects were started and two 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 2021 Expenditure	Estimated Cost	Status
1	Façade Improvement Program Project	\$40,000	\$40,000	Completed
2	Strawbridge Avenue Median & Landscape	\$0	\$29,401	Started
3	South Expansion Streetscape Phase 1	\$1,270	\$2,400,000	Started
4	West Crane Creek Pedestrian Bridge	\$372	\$1,500,000	Started
5	Archway/Gateway Refurbish	\$284	\$130,000	Started
6	South Expansion Streetscape Phase 2	\$19,517	\$2,500,000	Started
7	Downtown ROW and Infrastructure	\$0	\$90,000	Started
8	Public Private Development Program – Highline Apartments, LLC	\$2,400,000 CRA Bond	\$2,475,000	Completed

Project	Name	FY 2021 Expenditure	Estimated Cost	Status
9	Public Private Development Program – 801 Strawbridge Hotel, LLC	\$194,796 Waverly Alley	\$1,002,000	Started
10	Riverview Park Non-Motorized Boat Launch & Power Line Burial	\$10,067	\$175,000	Started

Goals

The Melbourne Downtown CRA is scheduled to sunset in 2042 and has prioritized a number of projects and initiatives for 2022 and beyond, which include the following:

- Continue engineering design of the South Expansion Streetscape Phase II with goal of facilitating the TPO consideration to fund sooner;
- Continue the Façade Improvement Program, providing CRA funding on an annual basis;
- Continue design and engineering for the non-motorized boat launch in Riverview Park, and seek additional grant funding with application to FIND;
- Continue engineering and permitting for the Crane Creek Pedestrian Bridge and prepare for grant funding applications;
- Continue working with the 801 Strawbridge Hotel/Hilton Tapestry developer to monitor and coordinate payments of the HUD Section 108 loan;
- Continue parking management discussions at the stakeholder level with some recommendations for the CRA/Council to consider;
- Implement a parking management plan as an economic development tool to benefit both businesses and the public by creating a parking strategy to financially sustain current and future parking demand;
- Utilize funds from the Downtown Core Right-of-Way/Easement Access and Infrastructure Improvements project, for continuation of ongoing streetscape improvements;
- Utilize the Public-Private Development Program to attract additional Downtown developments;
- Begin conceptual design and workshops related to the future redevelopment of the Downtown core streetscaping;
- Continue the Community Policing Program to assist with crime prevention and business relations; and
- Construct the Phase I Streetscape project after the TPO funding is released in July of 2024.

Project and Program Images

Before



AFTER



FIGURE 1 – 845 E. NEW HAVEN FAÇADE BEFORE AND AFTER

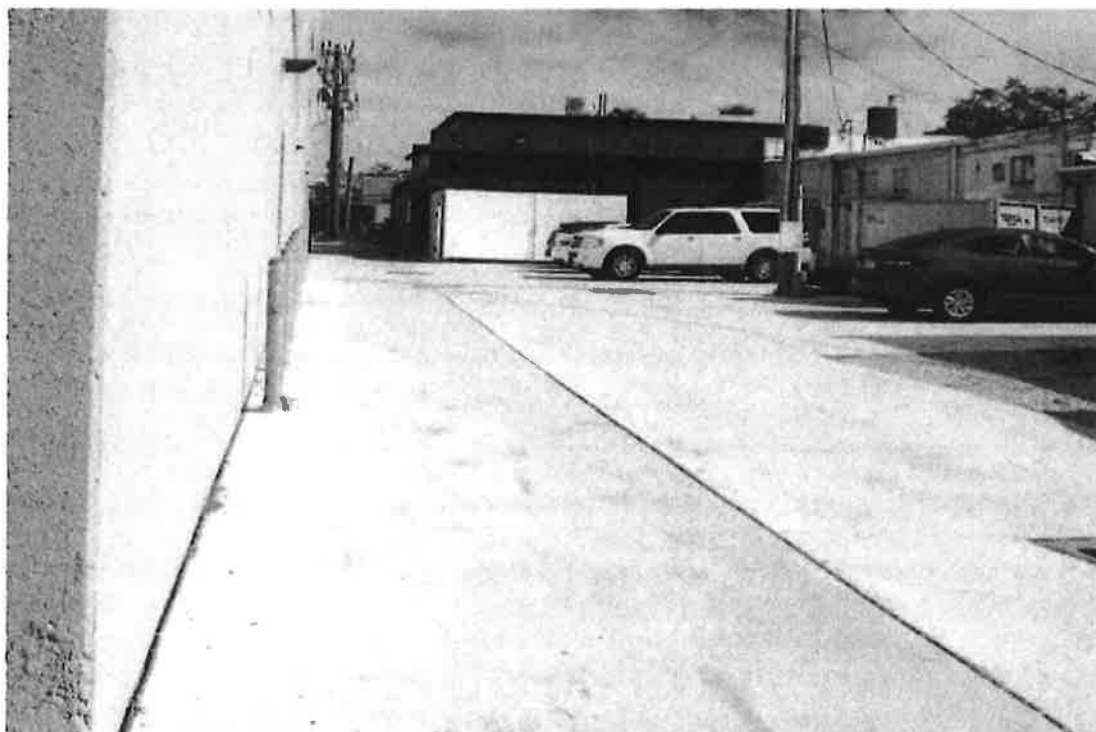


FIGURE 2 – HILTON TAPESTRY HOTEL AND PUBLIC ALLEY

Appendix A – CRA Audited Trust Funds

**MELBOURNE DOWNTOWN COMMUNITY
REDEVELOPMENT AGENCY**

ANNUAL FINANCIAL REPORT



PICTURED ABOVE IS THE COMPLETED HIGHLINE APARTMENT PROJECT

2021

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2021

**Melbourne Downtown Community
Redevelopment Agency**

**Annual
Financial Report**

For The Fiscal Year Ended September 30, 2021

CRA BOARD

Paul S. Alfrey.....	Mayor
Timothy R. Thomas	Vice Mayor, District 1
Mark LaRusso	District 2
Yvonne Minus	District 3
Deborah Thomas	District 4
Mimi Hanley	District 5
Julie Sanders	District 6

ADVISORY COMMITTEE

Dan Porsi.....	Chairman
Lisa Herendeen	Vice Chairman
JoAnn Davis	Member
John Lucas	Member
Patricia Nichols.....	Member
Gerry Smith.....	Member
LeAnn Smithson	Member

Prepared by: Financial Services Department

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2021

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency

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, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison on pages 4-7, and pages 22-24 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Melbourne Downtown Community Redevelopment Agency's basic financial statements. The project revenues and expenditures schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The project revenues and expenditures schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the project revenues and expenditures schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency
Page Three

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2022 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 4, 2022

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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, 2021. 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, 2021**

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, liabilities exceeded assets by \$1,489,906.

The net investment in capital assets represents \$696,941 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.

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2021	2020	Amount
Assets			
Current and other assets	\$ 249,209	\$ 158,630	\$ 90,579
Capital assets	696,941	729,234	(32,293)
Total assets	946,150	887,864	58,286
Liabilities			
Long-term liabilities outstanding	2,400,000	2,400,000	-
Other liabilities	36,056	17,714	18,342
Total liabilities	2,436,056	2,417,714	18,342
Net position			
Net investment in capital assets	696,941	729,234	(32,293)
Unrestricted	(2,186,847)	(2,259,084)	72,237
Total net position	\$ (1,489,906)	\$ (1,529,850)	\$ 39,944

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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

Changes in Net Position				
	Governmental Activities		Increase (Decrease)	
	2021	2020	Amount	Percent
Revenue				
Program revenue:				
Charges for services	\$ 7,000	\$ 8,400	\$ (1,400)	(16.67%)
Operating grants and contributions	1,426,589	1,398,709	27,880	1.99%
General revenue:				
Investment earnings	22,551	56,765	(34,214)	(60.27%)
Other	-	3,785	\$ (3,785)	(100.00%)
Total revenues	<u>1,456,140</u>	<u>1,467,659</u>	<u>(11,519)</u>	<u>(0.78%)</u>
Expenses:				
General government	775,523	789,839	(14,316)	(1.81%)
Interest on long-term debt	48,720	9,203	39,517	429.39%
Total expenses	<u>824,243</u>	<u>799,042</u>	<u>25,201</u>	<u>3.15%</u>
Change in net position and transfers	631,897	668,617	(36,720)	(5.49%)
Transfers to primary government	(591,953)	(3,750,000)	3,158,047	(84.21%)
Change in net position	<u>39,944</u>	<u>(3,081,383)</u>	<u>3,121,327</u>	<u>(101.30%)</u>
Net position - October 1,	(1,529,850)	1,551,533	(3,081,383)	(198.60%)
Net position - September 30	<u>\$ (1,489,906)</u>	<u>\$ (1,529,850)</u>	<u>\$ 39,944</u>	<u>(2.61%)</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 \$217,213, an increase of \$67,094 in comparison with the prior year. The change in fund balance increased \$698,047 compared to the prior year due to a reduction of transfers out of \$3,158,047, primarily driven by the Highline Apartment and streetscape projects, along with the issuance of the \$2,400,000 capital improvement revenue note occurring in the prior year.

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 exceeding budget by \$17,551, and total expenditures and debt issue expense of \$159,662 less than appropriated. These factors caused the change in fund balance to be \$177,213 higher than budgeted.

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2021 total \$696,941 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Capital Assets

	Governmental Activities	
	2021	2020
Land	\$ 518,724	\$ 518,724
Improvements other than buildings	178,217	210,510
Total capital assets, net of depreciation/amortization	<u>\$ 696,941</u>	<u>\$ 729,234</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 \$2,400,000.

Outstanding Debt

	Governmental Activities	
	2021	2020
Capital Improvement Revenue Note	\$ 2,400,000	\$ 2,400,000
Total	<u>\$ 2,400,000</u>	<u>\$ 2,400,000</u>

Governmental activities debt remained the same 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, 2021**

ASSETS	<u>Governmental Activities</u>
Equity in pooled investments	\$ 248,124
Interest receivable	1,085
Capital assets:	
Nondepreciable:	
Land	518,724
Depreciable:	
Improvements other than buildings	737,663
Less accumulated depreciation/amortization	(559,446)
Total assets	<u>946,150</u>
 LIABILITIES	
Accounts payable	23,529
Accrued payroll expenses	8,467
Accrued interest payable	4,060
Bonds payable, due within one year	110,000
Due in more than one year:	
Bonds payable	2,290,000
Total liabilities	<u>2,436,056</u>
 NET POSITION	
Net investment in capital assets	696,941
Unrestricted	(2,186,847)
Total net position	<u>\$ (1,489,906)</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, 2021**

Functions/Programs	Expenses	Program Revenues		Net Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
CRA government:				
Governmental activities:				
General government	\$ 775,523	\$ 7,000	\$ 1,426,589	\$ 658,066
Interest on long-term debt	48,720	-	-	(48,720)
Total	<u>824,243</u>	<u>7,000</u>	<u>1,426,589</u>	<u>609,346</u>
General Revenues:				
Interest earnings				22,551
Transfers to primary government				<u>(591,953)</u>
Total general revenues and transfers				<u>(569,402)</u>
Change in net position				39,944
Net position, October 1				<u>(1,529,850)</u>
Net position, September 30				<u>\$ (1,489,906)</u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2021**

ASSETS

Equity in pooled investments	\$ 248,124
Interest receivable	<u>1,085</u>
 Total assets	 \$ <u>249,209</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 23,529
Accrued payroll expenditures	<u>8,467</u>
 Total liabilities	 <u>31,996</u>
 Restricted fund balance	 <u>217,213</u>
 Total liabilities and fund balance	 \$ <u>249,209</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, 2021**

Total *fund balance* for governmental fund \$ 217,213

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	\$ 518,724	\$ -	
Improvements	737,663	(559,446)	
Total capital assets	<u>\$ 1,256,387</u>	<u>\$ (559,446)</u>	696,941

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	\$ (4,060)	
Note payable	<u>(2,400,000)</u>	
Total long-term liabilities and associated accrued interest		<u>(2,404,060)</u>
Net position of governmental activities		<u>\$ (1,489,906)</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, 2021**

REVENUES

Intergovernmental	\$ 1,426,589
Investment earnings	22,551
Other revenue	<u>7,000</u>
Total revenues	<u>1,456,140</u>

EXPENDITURES

Current:

General government	743,230
--------------------	---------

Debt service:

Interest	<u>53,863</u>
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Total expenditures	<u>797,093</u>
--------------------	----------------

Excess of revenues over expenditures	<u>659,047</u>
--------------------------------------	----------------

OTHER FINANCING SOURCES (USES)

Transfers out to primary government	<u>(591,953)</u>
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Net change in fund balance	67,094
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Fund balance, October 1	<u>150,119</u>
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Fund balance, September 30	<u><u>\$ 217,213</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, 2021**

Net change in <i>fund balance</i> - governmental fund		\$ 67,094
The change in <i>net position</i> 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 depreciation and amortization exceeded capital outlay in the current period.		
Cost of capital assets	\$ 1,270	
Depreciation and amortization expense	<u>(33,563)</u>	(32,293)
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		(4,060)
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>9,203</u>
Change in net position of governmental activities		<u>\$ 39,944</u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

(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

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.

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.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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, 2021, 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
Machinery, equipment and other	2-20 years

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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.

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

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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, 2021, 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, 2021, the carrying amount of the City of Melbourne's deposits with banks was \$12,747,054 and the bank balance was \$12,561,618.

As of September 30, 2021, 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. 3511 on September 8, 2016, 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 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

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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 DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Deletions	Balance September 30, 2021
Capital assets, not being depreciated/amortized:				
Land	\$ 518,724	\$ -	\$ -	\$ 518,724
Total capital assets, not being depreciated/amortized	518,724	-	-	518,724
Capital assets, being depreciated/amortized:				
Improvements other than buildings	736,393	1,270	-	737,663
Total capital assets, being depreciated/amortized	736,393	1,270	-	737,663
Less accumulated depreciation/amortization:				
Improvements other than buildings	525,883	33,563	-	559,446
Total accumulated depreciation/amortization	525,883	33,563	-	559,446
Total capital assets, being depreciated/amortized, net	210,510	(32,293)	-	178,217
Governmental activities capital assets, net	\$ 729,234	\$ (32,293)	\$ -	\$ 696,941

Depreciation/amortization expense was charged to functions/programs of the Agency as follows:

General government	\$ 33,563
Total depreciation/amortization expense - governmental activities	\$ 33,563

C. ENCUMBRANCE COMMITMENTS

At September 30, 2021, the Agency had encumbrance commitments in the Governmental fund in the amount of \$40,000.

D. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2021 are as follows:

	Primary Government (General Construction fund)	Agency	Total
Primary Government (General Construction fund)	\$ 591,953	\$ -	\$ 591,953
Agency	-	(591,953)	(591,953)
Total Transfers out	\$ 591,953	\$ (591,953)	\$ -

Significant transfers included: \$216,953 for the South Expansion Street Scape Project, \$195,000 for the Riverview Park Boat Launch, \$110,000 for archway/gateway painting, and \$70,000 for downtown right-of-way improvements.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

E. LONG-TERM LIABILITIES

1. Debt Service Requirements to Maturity

The annual requirements to amortize all bonded debt outstanding as of September 30, 2021 including interest requirements are described below.

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2022	\$ 110,000	\$ 48,720
2023	115,000	46,487
2024	115,000	44,152
2025	120,000	41,818
2026	120,000	39,382
2027-2031	645,000	159,051
2032-2036	710,000	91,147
2037-2039	465,000	19,082
	<u>\$ 2,400,000</u>	<u>\$ 489,839</u>

2. Pledged Revenues

Information on pledged revenues and principal and interest payments are as follows:

Pledged Revenue	Term	Future Principal and Interest	Current Pledged Revenue	Current Principal and Interest	Current Percentage of Revenue
Downtown CRA	2039	\$ 2,889,839	\$ 1,456,140	\$ 53,863	3.70%
Total governmental activities		<u>\$ 2,889,839</u>	<u>\$ 1,456,140</u>	<u>\$ 53,863</u>	

3. Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Reductions	Balance September 30, 2020	Amounts Due Within One Year
Notes from direct borrowings	\$ 2,400,000	\$ -	\$ -	\$ 2,400,000	\$ 110,000
Total governmental activities	<u>\$ 2,400,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,400,000</u>	<u>\$ 110,000</u>

The Agency's outstanding notes from direct borrowings related to governmental activities of \$2,400,000 are from the 2020 Downtown CRA Revenue Note. 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%.

(4) OTHER INFORMATION

A. CONTINGENCIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic which is still going on. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Agency. The occurrence and extent of such an impact will depend on future developments, including: (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

B. SUBSEQUENT EVENTS

On October 26, 2021, the Melbourne Downtown Community Redevelopment Agency approved a grant funding agreement for FY 2021-2022 with Melbourne Main Street for \$87,000.

On February 22, 2022, the Agency approved Resolution No. 4075 adjusting the appropriation of the fund balance.

**REQUIRED SUPPLEMENTARY INFORMATION
MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,426,589	\$ 1,426,589	\$ 1,426,589	\$ -
Investment earnings	12,000	12,000	22,551	10,551
Other revenue	-	-	7,000	7,000
Total revenues	1,438,589	1,438,589	1,456,140	17,551
EXPENDITURES				
Current:				
General government	890,255	923,421	783,230	140,191
Debt service:				
Interest	73,334	73,334	53,863	19,471
Total expenditures	963,589	996,755	837,093	159,662
Excess (deficiency) of revenues over (under) expenditures	475,000	441,834	619,047	177,213
OTHER FINANCING SOURCES (USES)				
Transfers out to primary government	(475,000)	(591,953)	(591,953)	-
Total other financing sources (uses)	(475,000)	(591,953)	(591,953)	-
Net change in fund balance	-	(150,119)	27,094	177,213
Fund balance, October 1	150,119	150,119	150,119	-
Fund balance, September 30	\$ 150,119	\$ -	\$ 177,213	\$ 177,213

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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, 2021**

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

\$ 837,093

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.

(40,000)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance.

\$ 797,093

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, 2021 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis)

\$ 27,094

Adjustments:

Encumbrances

40,000

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis)

\$ 67,094

SUPPLEMENTARY INFORMATION
MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Project Number	Project name	Expenditures ⁽¹⁾	Committed ⁽²⁾	Total	Transfers in (out) ⁽³⁾
10421	Riverview Park Boat Launch	\$ 10,067	\$ 73,833	\$ 83,900	\$ 195,000
10512	West Crane Creek Pedestrian Bridge	372	6,278	6,650	-
14006	Strawbridge Ave-Median & Landscaping	-	-	-	(29,401)
14011	Downtown CRA South Expansion Streetscape	1,270	695	1,965	-
14121	South Expansion Streetscape Phase 2	19,514	41,959	61,473	220,712
14320	Downtown Right of Way and Easement Access Infrastructure Improvements	-	-	-	70,000
14619	Downtown CRA Waverly Alley Improv	194,796	-	194,796	(204)
18117	Highline Apartment	2,400,000	-	2,400,000	-
18318	Archway/Gateway Painting	284	130,000	130,284	110,000
19099	Downtown CRA Misc Projects	-	-	-	25,846
		\$ 2,626,303	\$ 252,765	\$ 2,879,068	\$ 591,953

⁽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.



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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*

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, 2021, 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 4, 2022.

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 the 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 may exist that have not been identified.

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency
Page Two

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.

Carri Riggs & Ingram, L.L.C.

Melbourne, Florida
March 4, 2022



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INDEPENDENT AUDITORS' 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, 2021, and have issued our report thereon dated March 4, 2022.

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 Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' 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 March 4, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)4., 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 audit report. However, no recommendations were made in the preceding 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 authorities for the Melbourne Downtown Community Redevelopment Agency are 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 of 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.

Specific Information (UNAUDITED)

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

- | | |
|---|-------------|
| a. The total number of District employees compensated in the last pay period of the District's fiscal year as | None |
| b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's 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 District 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
(#10421) Riverview Park Boat Launch	\$ 220,000	\$ 10,067
(#14121) South Street Expansion Streetscape Phase 2	220,712	19,514
(#14320) Downtown Right of Way & Infrastructure	120,000	-
(#18318) Downtown Archway/Gateway Painting	135,000	1,384
Total	\$ 695,712	\$ 30,965

- 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:

See Page 22

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 millage rate or rates imposed by the District. **6.8685**
The millage rate or rates imposed by the County. **3.6929**
- b. The total amount of ad valorem taxes collected by or on behalf of the District. **\$ 927,768**
The total amount of ad valorem taxes collected by or on behalf of the County. **\$ 498,821**
- c. The total amount of outstanding bonds issued by the District 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. **\$2,400,000**

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 rate or rates of non-ad valorem special assessments imposed by the District as **None**
- b. The total amount of special assessments collected by or on behalf of the District as **None**
- c. The total amount of outstanding bonds issued by the District 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 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

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 4, 2022



Carr, Riggs & Ingram, LLC
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Melbourne, Florida 32940

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(321) 259-8648 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND SECTION 163.387(7), 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(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2021. 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 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2021.

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 4, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
City of Melbourne, Florida

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, 2021. 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 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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*, for the year ended September 30, 2021.

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 4, 2022

Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
DOWNTOWN REDEVELOPMENT
SEPTEMBER 30, 2021**

ASSETS

Equity in pooled investments	\$	248,124
Interest receivable		<u>1,085</u>
Total assets	\$	<u><u>249,209</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	23,529
Accrued payroll expenditures		<u>8,467</u>
Total liabilities		<u>31,996</u>

Restricted fund balance	<u>217,213</u>
-------------------------	----------------

Total liabilities and fund balance	\$	<u><u>249,209</u></u>
------------------------------------	----	-----------------------

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
DOWNTOWN REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

REVENUES

Intergovernmental	\$ 1,426,589
Investment earnings	22,551
Other Revenue	<u>7,000</u>
Total revenues	<u>1,456,140</u>

EXPENDITURES

Current:	
General government	743,230
Debt service:	
Interest	<u>53,863</u>
Total expenditures	<u>797,093</u>

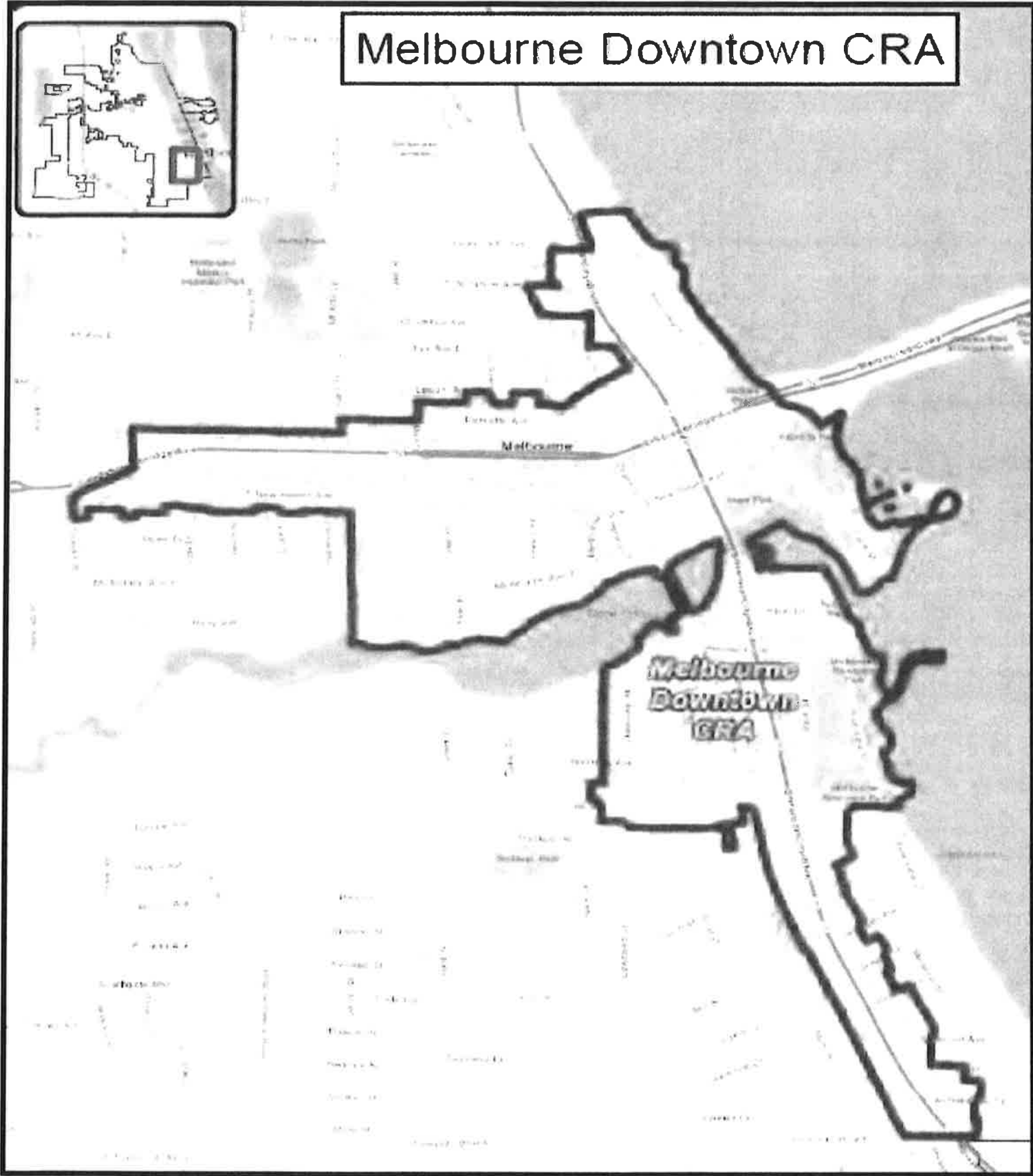
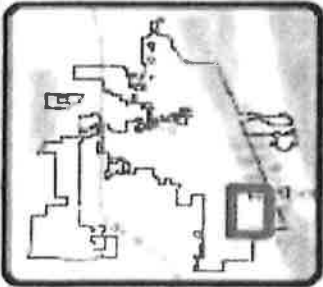
Excess of revenues over expenditures	<u>659,047</u>
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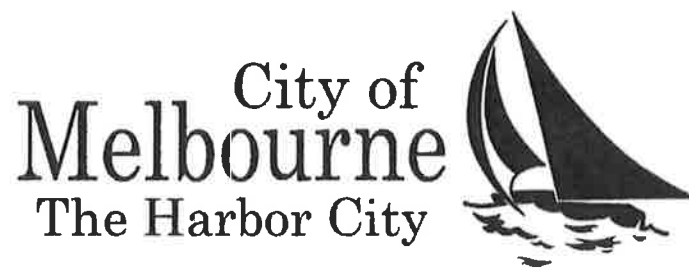
OTHER FINANCING USES

Transfers out	<u>(591,953)</u>
Net change in fund balance	67,094
Fund balance, October 1	<u>150,119</u>
Fund balance, September 30	<u><u>\$ 217,213</u></u>

Appendix C – Maps

Melbourne Downtown CRA





2021

City of Melbourne

Community Redevelopment Agency (CRA) Annual Report

Olde Eau Gallie Riverfront CRA

2021 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 the Olde Eau Gallie Riverfront CRA activities during the fiscal reporting period (FY 2021) from October 1, 2020 to September 30, 2021, including general information, current or completed projects, and financial information.

Specific financial information, such as assets, liabilities, income and operating expenses of the Olde Eau Gallie Riverfront CRA trust fund, is part of this report. The 2021 CRA audit report is found in Appendix A. The Balance sheet and statement of revenues and expenditures for the Olde Eau Gallie Riverfront CRA are found in Appendix B.

The Olde Eau Gallie Riverfront CRA agency was formed under Chapter 163, Part III, Florida Statutes, for the elimination and prevention of slum and blight within the Eau Gallie CRA district. A district map with boundaries is included for the Olde Eau Gallie Riverfront CRA 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 at the following link:

<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 C.

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 7.9%, mainly due to higher property valuations and increased investment. Table 1 indicates valuations from the base year and January 1, 2022. The current 2021-2022 revenue from tax increment, interest income, and reserves is \$912,257, which supports the current operating budget, CRA projects and CRA programs.

TABLE 1 - OLDE EAU GALLIE RIVERFRONT CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2021
Area 1	2000	\$16,958,230	\$53,456,510
Area 2	2005	\$44,041,890	\$73,736,450
Area 3	2015	\$771,910	\$942,330
Totals		\$61,772,030	\$128,135,290

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>

The Eau Gallie CRA district is located within census tracts 4201 and 4202. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies both census tracts as targeted populations and low-income communities.² 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	Unemployment Rate Times National Average
4201	70.17%	15.70%	4.10%	0.49
4202	84.22%	22.70%	11.0%	1.33

Total expenditures from the redevelopment trust fund in FY 2021 were \$957,271, which includes operating expenditures, transfers/appropriations to capital projects, and capital project expenditures.

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

Projects and Programs

The Olde Eau Gallie Riverfront 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 2020-2021 includes:

- The ***District Street Lighting Project*** the CRA completed design for bidding in 2021; however, Melbourne City Council as the CRA Board decided to not move forward with the project. In lieu of spending CRA funding for this project, the CRA Board pursued an opportunity to work with the Brevard County Commission for the construction of a parking garage.
- 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 allows for CRA bond finance 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

² Source: U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI), 2011-2015 census data. *Targeted population* refers to individuals or an identifiable group of individuals meeting the requirements of 13 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.

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.

- CRA and City staff have continually facilitated private investment in the Eau Gallie CRA district. The support has included technical assistance related to development sites with clarification of land development regulations. An example of this CRA’s assistance is the proposed hotel development in Downtown Eau Gallie. See Figure 9.

During the reporting period there were a total number of three projects under development but no completions. One project was started and two projects were canceled. 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 2021 Expenditure	Estimated Cost	Status
1	Façade Program Projects	\$0	\$20,000	Canceled
2	District Street Lighting	\$400.00	\$425,000	Canceled
3	Eau Gallie Parking Facilities	\$4,200	\$8,600,000	Started

Goals

Consistent with the interlocal agreement between Brevard County and the City of Melbourne, the CRA has the following goals for 2022 and Beyond:

- Begin predevelopment for a public parking garage in Downtown Eau Gallie, with consideration of a shared structured parking facility under a public-private partnership; and
- Facilitate a Comprehensive Plan revision and a land development code change to increase development density and intensity within the C-3 zoned area within the Olde Eau Gallie CRA.

Project and Program Images

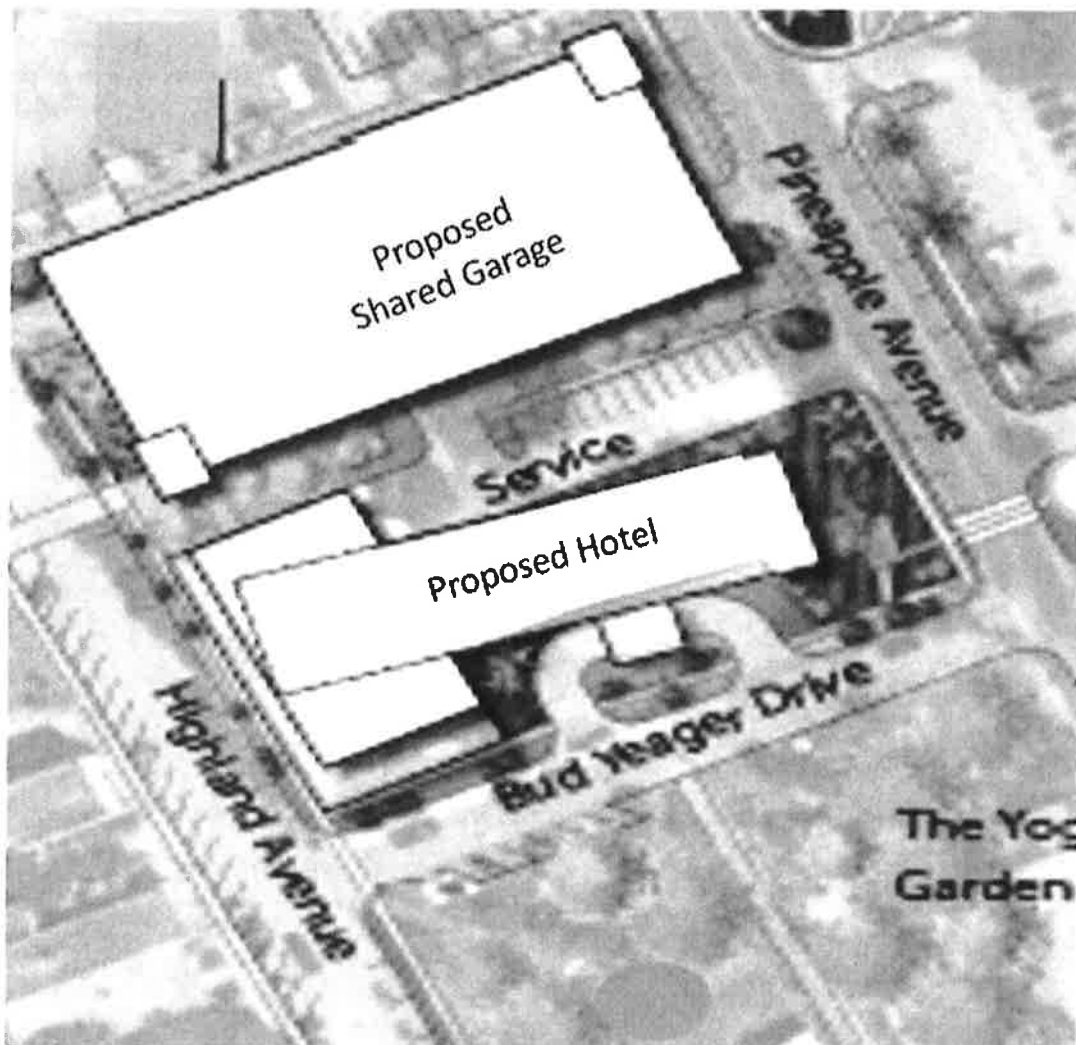


FIGURE 1 – LOCATION OF A PROPOSED SHARED PARKING FACILITY ON CITY PROPERTY, ADJACENT TO A PROPOSED HOTEL DEVELOPMENT BY A PRIVATE DEVELOPER



FIGURE 2 – PRIVATE DEVELOPMENT HOTEL CONCEPT IN DOWNTOWN EAU GALLIE

Appendix A – CRA Audited Trust Funds

**OLDE EAU GALLIE RIVERFRONT
COMMUNITY REDEVELOPMENT AGENCY**

ANNUAL FINANCIAL REPORT



PICTURED ABOVE IS PINEAPPLES, A RESTAURANT NEW TO THE EAU GALLIE ARTS DISTRICT

2021

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2021

**Olde Eau Gallie Riverfront Community
Redevelopment Agency**

**Annual
Financial Report**

For The Fiscal Year Ended September 30, 2021

CRA BOARD

Paul S. Alfrey	Mayor
Timothy R. Thomas	Vice Mayor, District 1
Mark LaRusso	District 2
Yvonne Minus	District 3
Deborah Thomas	District 4
Mimi Hanley	District 5
Julie Sanders	District 6

ADVISORY COMMITTEE

George Alexander	Chairman
Kyle Smyth	Vice Chairman
Cameron Mitchell	Member
Thomas Richards	Member
H.J. Underill	Member
David Wickham	Member
Jessica Cassone	Member

Prepared by: Financial Services Department

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2021

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency

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, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and other required supplementary information on pages 4-7, and pages 21-23 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Olde Eau Gallie Community Redevelopment Agency's basic financial statements. The project revenues and expenditures schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The project revenues and expenditures schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the project revenues and expenditures schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency
Page Three

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2022 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, Rigg & Ingram, L.L.C.

Melbourne, Florida
March 4, 2022

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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, 2021. 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.

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.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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 14-20 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 21-23 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 \$748,839.

The net investment in capital assets is 66% 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.

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2021	2020	Amount
Assets			
Current and other assets	\$ 283,511	\$ 592,704	\$ (309,193)
Capital assets	496,589	514,630	(18,041)
Total assets	780,100	1,107,334	(327,234)
Liabilities			
Other liabilities	31,261	3,066	28,195
Total liabilities	31,261	3,066	28,195
Net position			
Net investment in capital assets	496,589	514,630	(18,041)
Restricted	252,250	589,638	(337,388)
Total net position	\$ 748,839	\$ 1,104,268	\$ (355,429)

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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

Changes in Net Position				
	Governmental Activities		Increase (Decrease)	
	2021	2020	Amount	Percent
Revenue				
Program revenue:				
Operating grants and contributions	\$ 599,581	\$ 544,126	\$ 55,455	10.19%
General revenue:				
Investment earnings	15,702	25,028	(9,326)	(37.26%)
Total revenues	<u>615,283</u>	<u>569,154</u>	<u>46,129</u>	<u>8.10%</u>
Expenses:				
General government	181,184	177,189	3,995	2.25%
Interest on long-term debt	-	620	(620)	(100.00%)
Total expenses	<u>181,184</u>	<u>177,809</u>	<u>3,375</u>	<u>1.90%</u>
Change in net position				
fund and transfers	434,099	391,345	42,754	10.92%
Transfers to primary government	(789,528)	(350,000)	(439,528)	125.58%
Change in net position	<u>(355,429)</u>	<u>41,345</u>	<u>(396,774)</u>	<u>(959.67%)</u>
Net position - October 1	1,104,268	1,062,923	41,345	3.89%
Net position - September 30	<u>\$ 748,839</u>	<u>\$ 1,104,268</u>	<u>\$ (355,429)</u>	<u>(32.19%)</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 restricted fund balance of \$252,250, a decrease of (\$337,388) in comparison with the prior year. The decline resulted from transfers out of \$764,528 for the parking facilities project during 2021, while 2020 only transferred out \$300,000 for the lighting project.

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 21 of the RSI section.

The variance between the final budget and the actual results reflects total revenues exceeding budget by \$5,704, and total expenditures and transfers out of \$246,546 less than appropriated. These factors caused the change in fund balance to be \$252,250 higher than budgeted.

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2021 total \$496,589 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Capital Assets

	Governmental Activities	
	2021	2020
Land	\$ 480,050	\$ 480,050
Improvements other than buildings	16,539	34,580
Total capital assets, net of depreciation/amortization	<u>\$ 496,589</u>	<u>\$ 514,630</u>

Additional information on the Agency's capital assets can be found in Note (3) B on pages 19 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, 2021

ASSETS	<u>Governmental Activities</u>
Equity in pooled investments	\$ 282,193
Interest receivable	1,318
Capital assets:	
Nondepreciable:	
Land	480,050
Depreciable:	
Improvements other than buildings	327,353
Less accumulated depreciation/amortization	(310,814)
Total assets	<u>780,100</u>
 LIABILITIES	
Accounts payable	27,500
Accrued payroll expenses	3,761
Total liabilities	<u>31,261</u>
 NET POSITION	
Net investment in capital assets	496,589
Restricted	252,250
Total net position	<u>\$ 748,839</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, 2021**

<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	\$ 181,184	\$ 599,581	\$ 418,397
Total	<u>181,184</u>	<u>599,581</u>	<u>418,397</u>
General Revenues:			
Interest earnings			15,702
Transfers to primary government			<u>(789,528)</u>
Total general revenues and transfers			<u>(773,826)</u>
Change in net position			(355,429)
Net position, October 1			<u>1,104,268</u>
Net position, September 30			<u><u>\$ 748,839</u></u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2021**

ASSETS

Equity in pooled investments	\$	282,193
Interest receivable		<u>1,318</u>
Total assets	\$	<u><u>283,511</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	27,500
Accrued payroll expenditures		<u>3,761</u>
Total liabilities		<u>31,261</u>
Restricted fund balance		<u>252,250</u>
Total liabilities and fund balance	\$	<u><u>283,511</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, 2021**

Total *fund balance* for governmental fund \$ 252,250

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	\$ -	
Improvements	327,353	(310,814)	
Total capital assets	<u>\$ 807,403</u>	<u>\$ (310,814)</u>	<u>496,589</u>
Net position of governmental activities			<u>\$ 748,839</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, 2021**

REVENUES

Intergovernmental	\$ 599,581
Investment earnings	<u>15,702</u>
Total revenues	<u>615,283</u>

EXPENDITURES

Current:

General government	<u>163,143</u>
Excess of revenues over expenditures	452,140

OTHER FINANCING USES

Transfers out to primary government	<u>(789,528)</u>
Net change in fund balance	(337,388)
Fund balance, October 1	<u>589,638</u>
Fund balance, September 30	<u>\$ 252,250</u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT 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, 2021**

Net change in <i>fund balance</i> - governmental fund	\$ (337,388)
---	--------------

The change in *net position* reported for governmental activities in the statement of activities is different because:

The governmental fund 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 depreciation and amortization exceeded capital outlay in the current period.

Depreciation and amortization expense	<u>(18,041)</u>
---------------------------------------	-----------------

Change in net position of governmental activities	<u><u>\$ (355,429)</u></u>
---	----------------------------

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

(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

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 DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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, 2021, 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 DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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 DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

(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, 2021, 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, 2021, the carrying amount of the City of Melbourne's deposits with banks was \$12,747,054 and the bank balance was \$12,561,618.

As of September 30, 2021, 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. 3511 on September 8, 2016, 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

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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 in the money market funds.

OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	October 1, 2020	Additions	Deletions	September 30, 2021
Capital assets, not being depreciated/amortized:				
Land	\$ 480,050	\$ -	\$ -	\$ 480,050
Total capital assets, not being depreciated/amortized	480,050	-	-	480,050
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:				
Improvements other than buildings	292,773	18,041	-	310,814
Total accumulated depreciation/amortization	292,773	18,041	-	310,814
Total capital assets, being depreciated/amortized, net	34,580	(18,041)	-	16,539
Governmental activities capital assets, net	\$ 514,630	\$ (18,041)	\$ -	\$ 496,589

Depreciation/amortization expense was charged to functions/programs of the Agency as follows:

General government	\$ 18,041
Total depreciation/amortization expense - governmental activities	\$ 18,041

C. ENCUMBRANCE COMMITMENTS

At September 30, 2021, the Agency had no encumbrance commitments.

D. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2021 are as follows:

	Primary Government (General Construction fund)	Agency	Total
Primary Government (General Construction fund)	\$ 789,528	\$ -	\$ 789,528
Agency	-	(789,528)	(789,528)
Total Transfers out	\$ 789,528	\$ (789,528)	\$ -

Significant transfers included \$764,528 from the Agency to the General Construction fund of the City (primary government) for the Eau Gallie parking facilities project and a \$25,000 transfer to the Eau Gallie site furnishings project.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

(4) OTHER INFORMATION

A. CONTINGENCIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic which is still going on. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Agency. The occurrence and extent of such an impact will depend on future developments, including: (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

B. SUBSEQUENT EVENTS

On February 22, 2022, the Agency approved Resolution No. 4076 adjusting the appropriation of the fund balance.

REQUIRED SUPPLEMENTARY INFORMATION
OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 599,579	\$ 599,579	\$ 599,581	\$ 2
Investment earnings	10,000	10,000	15,702	5,702
Total revenues	609,579	609,579	615,283	5,704
EXPENDITURES				
Current:				
General government	409,579	409,689	163,143	246,546
Excess of revenues over expenditures	200,000	199,890	452,140	252,250
OTHER FINANCING USES				
Transfers out to primary government	(200,000)	(789,528)	(789,528)	-
Net change in fund balance	-	(589,638)	(337,388)	252,250
Fund balance, October 1	589,638	589,638	589,638	-
Fund balance, September 30	\$ 589,638	\$ -	\$ 252,250	\$ 252,250

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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, 2021**

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

\$ 163,143

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.

\$ 163,143

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, 2021 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis)

\$ (337,388)

Adjustments:

Encumbrances

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis)

\$ (337,388)

SUPPLEMENTARY INFORMATION
OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

<u>Project Number</u>	<u>Project name</u>	<u>Expenditures ⁽¹⁾</u>	<u>Committed ⁽²⁾</u>	<u>Total</u>	<u>Transfers in (out) ⁽³⁾</u>
10521	Eau Gallie Parking Facilities	\$ 4,200	\$ 13,900	\$ 18,100	\$ 838,218
14217	Eau Gallie Lighting	400	4,400	4,800	-
18021	Eau Gallie Site Furnishings	-	7,451	7,451	25,000
19299	Eau Gallie CRA misc projects	-	-	-	(73,690) ⁽⁴⁾
		<u>\$ 4,600</u>	<u>\$ 25,751</u>	<u>\$ 30,351</u>	<u>\$ 789,528</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⁾ Funds transferred to the Parking Facilities Project (10521).



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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*

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, 2021, 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 4, 2022.

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 the 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 may exist that have not been identified.

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency
Page Two

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 4, 2022



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INDEPENDENT AUDITORS' 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, 2021, and have issued our report thereon dated March 4, 2022.

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 Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' 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 March 4, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)4., 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 audit report. However, no recommendations were made in the preceding 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 authorities for the Olde Eau Gallie Community Redevelopment Agency are 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 of 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.

Specific Information (UNAUDITED)

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

- | | |
|---|-------------|
| a. The total number of District employees compensated in the last pay period of the District's fiscal year as | None |
| b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's 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 District that is scheduled to begin after October 1 of the fiscal year being reported, together with the total expenditures for such projects.

Project	Budget	Expenditures
(#10521) Eau Gallie Parking Facilities	\$ 8,585,475	\$ 4,200
(#14217) Eau Gallie Lighting	820,000	31,000
Total	\$ 9,405,475	\$ 35,200

- 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.:

See Page 21

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:

- | | |
|---|-------------------|
| a. The millage rate or rates imposed by the District. | 6.8685 |
| The millage rate or rates imposed by the County. | 3.6929 |
| b. The total amount of ad valorem taxes collected by or on behalf of the District. | \$ 389,931 |
| The total amount of ad valorem taxes collected by or on behalf of the County. | \$ 209,648 |
| c. The total amount of outstanding bonds issued by the District and the terms of such bonds as. | None |

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:

- | | |
|--|-------------|
| a. The rate or rates of non-ad valorem special assessments imposed by the District as | None |
| b. The total amount of special assessments collected by or on behalf of the District as | None |
| c. The total amount of outstanding bonds issued by the District 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 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

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 4, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND SECTION 163.387(7), 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(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2021. 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 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2021.

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 4, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
City of Melbourne, Florida

We have examined 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, 2021. 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 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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*, for the year ended September 30, 2021.

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 4, 2022

Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
EAU GALLIE REDEVELOPMENT
SEPTEMBER 30, 2021**

ASSETS

Equity in pooled investments	\$	282,193
Interest receivable		<u>1,318</u>
 Total assets	 \$	 <u><u>283,511</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	27,500
Accrued payroll expenditures		<u>3,761</u>
 Total liabilities		 <u><u>31,261</u></u>
 Restricted fund balance		 <u><u>252,250</u></u>
 Total liabilities and fund balance	 \$	 <u><u>283,511</u></u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
EAU GALLIE REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

REVENUES

Intergovernmental	\$ 599,581
Investment earnings	<u>15,702</u>
Total revenue	<u>615,283</u>

EXPENDITURES

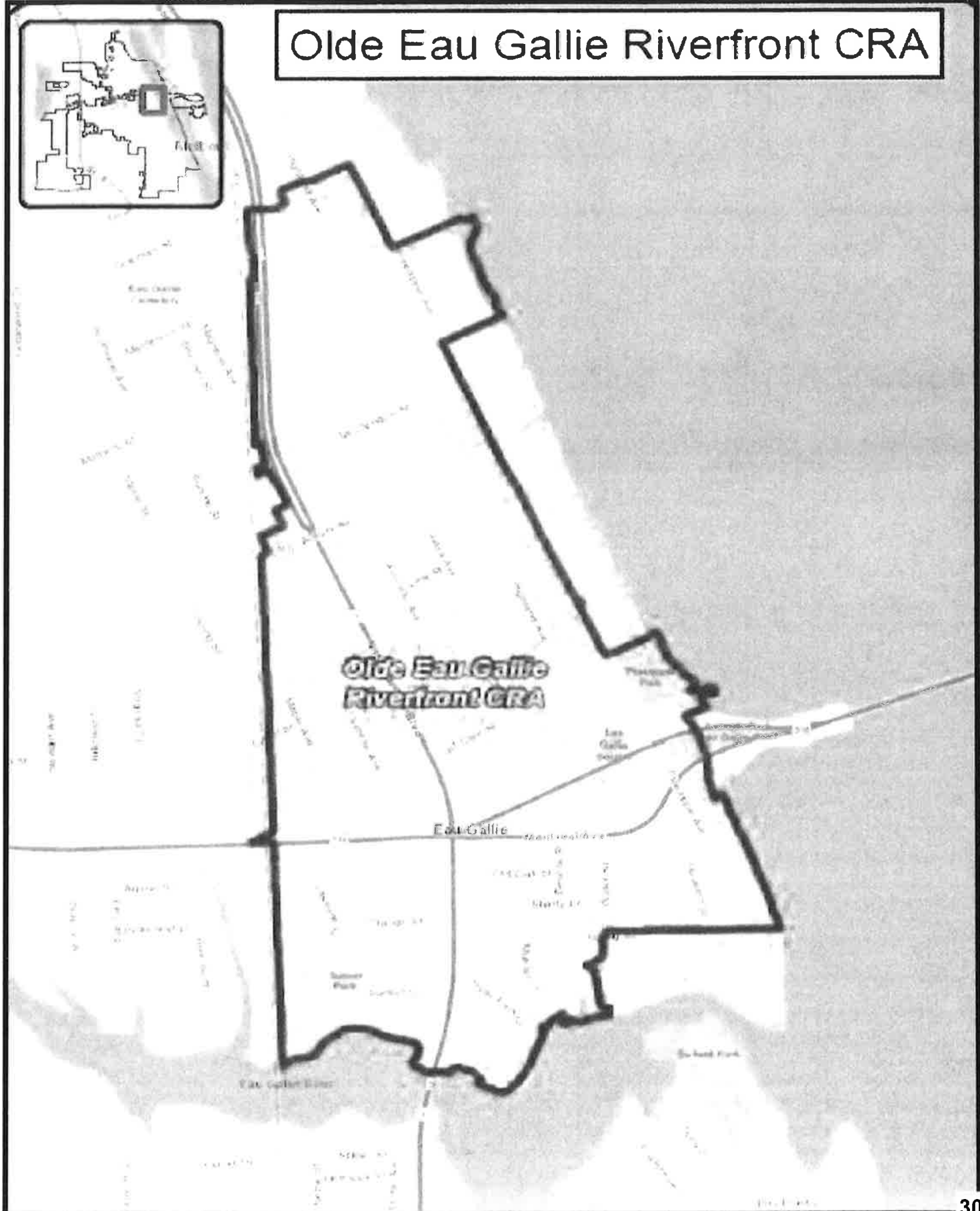
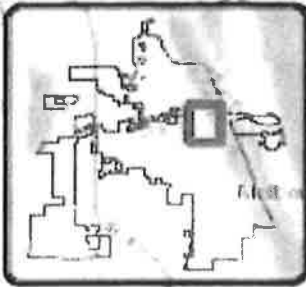
Current:	
General government	<u>163,143</u>
Excess of revenues over expenditures	<u>452,140</u>

OTHER FINANCING USES

Transfer out	<u>(789,528)</u>
Net change in fund balances	(337,388)
Fund balance, October 1	<u>589,638</u>
Fund balance, September 30	<u><u>\$ 252,250</u></u>

Appendix C – Map

Olde Eau Gallie Riverfront CRA

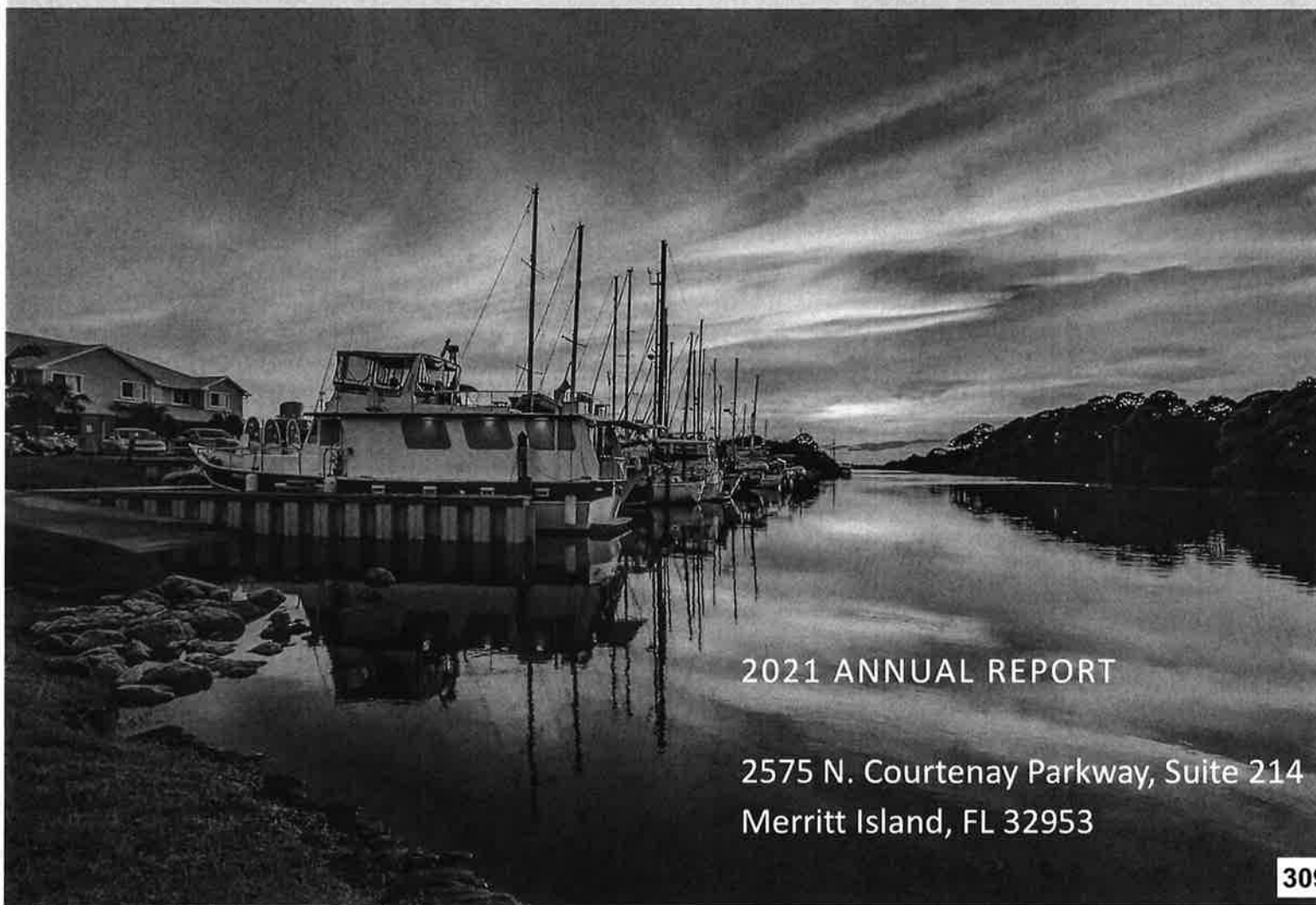




MERRITT ISLAND
REDEVELOPMENT AGENCY

Discover

An island of opportunities.



2021 ANNUAL REPORT

2575 N. Courtenay Parkway, Suite 214
Merritt Island, FL 32953



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About the Merritt Island Redevelopment Agency (MIRA)	5
MIRA Redevelopment Areas	6
MIRA Board of Directors	7
MIRA Staff	8
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Letter from the Executive Director

2021 was a year for planning and visioning. Several large projects, like the Veterans Memorial Park Amphitheatre, the Merritt Island welcome sign, and the Griffis Landing Dredging Project are making large strides towards completion of architectural engineering plans and site permits. Design concepts for the “Mall Core Area”, and a riverwalk along the barge canal endeavor to inspire future high-quality development that could drive economic growth, elevating the island’s aesthetic appearance and recreational activities. Also in collaboration with Brevard County Public Works, the Sea Ray Drive Bridge Project, and the South State Road (SR) 3 improvements are both currently in the design phase.

It was also a year that saw the completion of a number of projects where planning and funding from MIRA helped improve the quality of life for Brevard County residents. Phase II of Veterans Memorial Park improvements opened, complete with walking paths & bridges, added parking, landscaping and more. Installation of a hurricane resilient custom-engineered traffic signal structure at the intersection of SR 520 and Sykes Creek Parkway, a 1,000 gallon boat fuel tank installation at Griffis Landing, completion of the Cone Road Business Park Septic to Sewer Program, and the remediation of landscaping on SR 3 and SR 520 are only some of the highlights.

With the economy strongly rebounding, we are experiencing a surge of interest for redevelopment projects within our redevelopment areas. MIRA is enthusiastic about potential projects on the horizon in 2022-2023.

Larry Lallo
Executive Director



WHAT IS A COMMUNITY REDEVELOPMENT AGENCY (CRA)?

A CRA is created when there is a presence of blight, and substandard or inadequate structures, lots, affordable housing, stormwater infrastructure, insufficient roadways, open space/parks, or parking in an area. The CRA mission is broad, involving beautification, environmental conservation, and facilitating redevelopment in accordance with its community redevelopment plan.

MIRA is a Community Redevelopment Agency (CRA) established under the following regulations:

- Florida law, Chapter 189 Uniform Special District Accountability Act
- Florida law, Chapter 163, Part I

Why is this important?

Highly urbanized areas in decline can become a burden to local government and the declining area affects multiple aspects of the community, while often requiring more services from the county. Management of a community redevelopment plan can dramatically improve the quality of life and the tax base, leveraging a substantial return on investment.

TRADITIONAL CRA PROJECTS

- | | |
|--|---------------------------------------|
| • Stormwater Treatment and Control Systems | • Building Renovations |
| • Park and Waterfront Improvements | • Public Parking Lots |
| • Streetscapes | • Trails and Trailheads |
| • Bike Paths | • Commercial Façade Grants |
| • Water Lines | • Brownfield Assessments |
| • Sanitary Lines | • Signage and Structural Improvements |
| • Sidewalks | • Transportation System Improvements |
| • Community Facilities | • Multimodal Improvements |



MERRITT ISLAND REDEVELOPMENT AGENCY

MISSION

MIRA's mission is to create and implement community-based redevelopment strategies that promote the quality of life for Merritt Island residents, business people, and visitors through the promotion of quality growth, economic development, redevelopment, beautification, and the preservation of Merritt Island's history, culture, and environment.



MIRA Community Redevelopment Plan

's required by the state of Florida to have community redevelopment plan, which sets forth the programs and projects for improvement of the redevelopment area and how tax funds may be used.

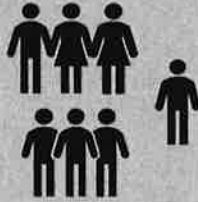
MIRA was established as a Community Redevelopment Agency (CRA) in 1989

It was created by the Brevard County Board of County Commissioners

MIRA currently has four target redevelopment areas

MIRA is 1 of more than 200 CRAs in Florida

Board of Directors



- 7 *Volunteer* Board Members appointed by the Brevard County Board of County Commissioners
- Must be Merritt Island business people or residents

Staff



3 Staff Members

- Executive Director
- Community Redevelopment Manager
- Executive Assistant



Redevelopment Focus Areas

- E. Merritt Island Causeway (SR 520)
- Merritt Square Mall
- Cone Road
- Barge Canal
- Courtenay Parkway (SR 3)

How is MIRA Funded?

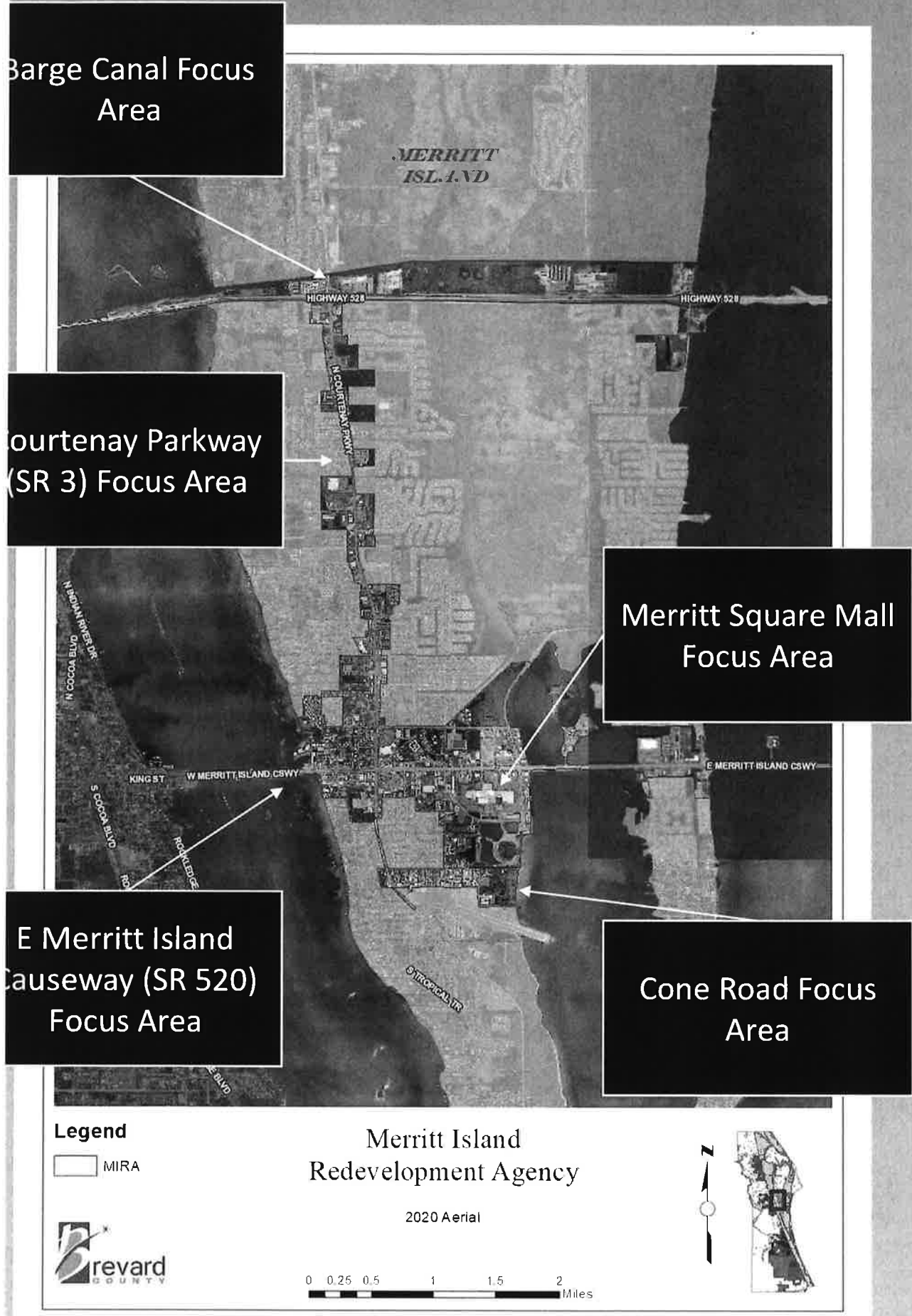
MIRA leverages tax increment financing (TIF)—existing taxes—received from the redevelopment sub-area properties to improve the same redevelopment areas.

Funds are collected as property values increase in the redevelopment sub-areas *above a base level established at the creation date of the MIRA sub-area.*

TIF funds are collected on a proportionate basis up to 95%.

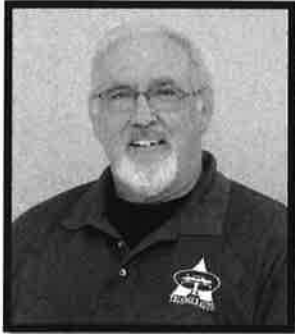
No new taxes were created to fund MIRA.







MIRA Board of Directors



Chairman
Marcus Herman



Vice-Chairman
Eddie Lebron



Member
Wendy Ellis



Member
Jack Ratterman



Member
Andy Barber



Member
Nicole Morgan



Member
Jack Smink



MIRA Staff



Executive Director
Larry Lallo



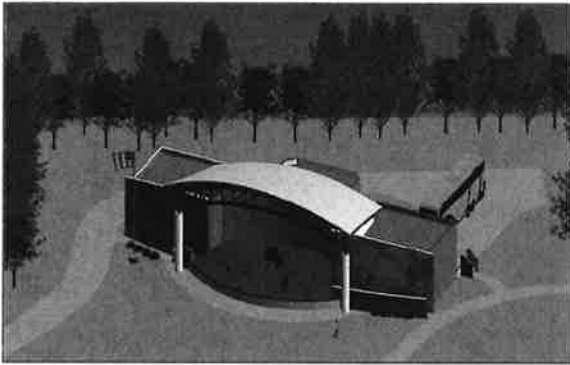
Community Redevelopment Manager
Stefani Maduskuie



Executive Assistant
Cheryl Hurren



Cone Road Focus-Area



Veterans Memorial Park Amphitheatre

- Site plan engineering and architectural design created and approved
- Site plan will include:
 - A "Medal of Honor" memorial/tribute area
 - Additional parking and driveway from the Fortenberry Rd. entrance
 - Upgraded electrical systems to accommodate park and amphitheatre lighting, security, and vendor events for up to 5,000 people
 - Construction is scheduled to commence in 2023



Veteran's Memorial Park

- Phase II of the park opened in March with a ribbon cutting
- \$1.4M contribution from MIRA went to sidewalks, boardwalks, environmentally friendly parking lot, and first stage landscaping.
- A historical \$50,000 charitable gift from a donor was received by MIRA to create a special landscaping area and the bidding for installation is in process
- New playground equipment with shade canopies

"The Brevard Veterans Council (BVC) has greatly appreciated the partnership, support and trust the county, particularly MIRA, has shared with us. MIRA has been the catalyst, with BVC on their team, to leverage MIRA, County, Tourist Development and other funds to create and improve the best center and Veterans Memorial Park Florida." – Donn Weaver, Chairman, Brevard Veterans Council



Cone Road Business Park Project

- Submitted final reports to St. Johns River Management District for \$912,255 grant and a final report was submitted to FL Department of Environmental Protection (FDEP) for \$400,000 septic to sewer grant
- MIRA successfully abandoned 60 septic tanks in the Cone Road area and connected the businesses to the sanitary treatment system, preventing 3,000+ pounds of nitrogen going into the lagoon annually



SR 520 Focus-Area



Griffis Landing

In cooperation with Brevard County Natural Resources, Boating and Waterways division, the following was completed:

Doc's Bait House – \$367,000 for “resiliency improvements” and replacement of a deteriorating flat roof with a pitch-roof structure

Ms. Apples Crab Shack – Design charrette completed to create concept plans to improve resiliency and renovate the current site

Boat Fuel Dock – Installation of a 1,000 gallon fuel tank with a \$51,587 contribution commitment from MIRA

Channel Improvements – Completion of plans and permits for channel dredging and channel markers to improve navigable access



New Transit Shelters

- MIRA funded four modern multimodal transit shelters on SR 520, and SR 3 in partnership with Space Coast Area Transit. The shelters included solar-powered, self-compacting “big belly” trash bins, bike racks, interior and exterior solar-powered safety lighting, and bike repair stations for quick bike fixes
- MIRA is responsible for, and under contract, to maintain the transit shelters and amenities
- Plans are underway to install four additional shelters on SR 520, to replace the deteriorating 20/20 media shelters



Mall Area Plan Concept Highlights Include:

- Mixed-use, multi-family commercial structures
- Pedestrian and bike-friendly design
- Multi-family structures up to eight stories
- Town houses
- New public streets
- Creation of town center
- Improved access to Veterans Memorial Park & future amphitheatre



Courtenay Parkway Focus-Area



SR 520 and SR 3 Landscaping

- Due to traffic volume, chemical over-spray, and environmental elements, MIRA identified damaged and dead trees and plants
- MIRA invested about \$82,000 to replace damaged and dying plants
- Additional work to be accomplished



Merritt Island Welcome Sign 2575 N. Courtenay Parkway

- Survey, design, and fabrication complete
- Site work and permitting is underway
- Sign will be installed in 2nd quarter 2022
- Additional sites are under review



Commercial Façade Grant Program

- Victoria's Restaurant was approved and project is complete
- MIRA granted 258 N. Grove Street \$25,000 leveraging more than \$140k of overall improvements
- MIRA granted 275 Magnolia Ave, a multi-tenant plaza known as the "French Quarter", \$50,000 leveraging more than \$136,000 in overall improvements
- The economic shutdown slowed the program
- The MIRA Façade Program will be marketed in 2023

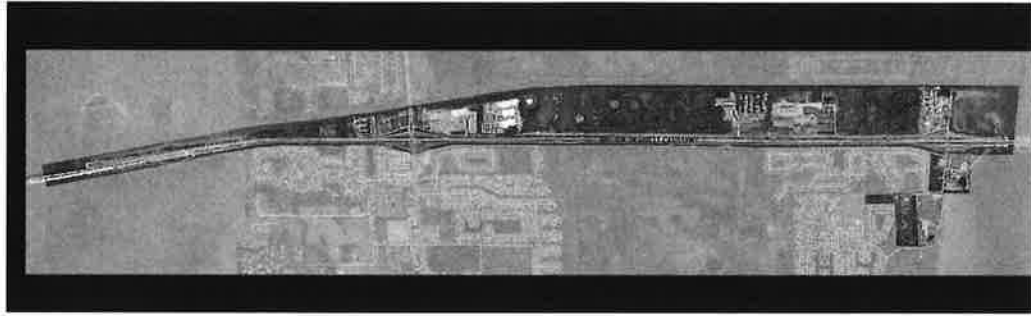


S. Courtenay Parkway – Cone Road Improvements

- MIRA reviewed and approved project for CIP
- Project management coordinated by Brevard County Public Works
- Nearing 30% of design and engineering completed
- MIRA will contribute funding for streetscaping, lighting, and other infrastructure aspects with funding up to \$1.3MM



Barge Canal Focus-Area



Sea Ray Drive Bridge

- Brevard County Public Works Department is moving forward with the \$5.5MM Sea Ray Drive Bridge replacement project
 - MIRA, via a 10 year TIF deferral agreement, is contributing \$2.75MM
 - Total project costs initially estimated at \$5.5 Million
 - This project will catalyze job retention for existing Sea Ray Drive businesses, stimulate future economic development projects and improve safety by providing an alternative traffic route
 - This project is currently in the design-engineering phase
-



Sea Ray Drive and Barge Canal

- Plan concepts were completed for the Barge Canal riverwalk, which would extend from the Indian River to the Banana River, meandering adjacent to, and at, the shoreline
 - Planning sessions were held with key property owners
-

Other Projects

Website and Social Media Contract

- Bidding process completed and beginning of contract has been executed
- MIRA's new website will provide tools and information in a single-source, user-friendly format that will aid in gathering area-information for developers, residents, and tourists. It will spread awareness about MIRA projects, meeting details and more

Business Economic Relief Grants

- During the Covid-19 Pandemic, MIRA provided outreach and awareness campaigns to connect businesses in the focus-areas with federal government relief funding that was provided by the Brevard County Board of County Commissioners



2021 Site Development Plan Reviews

The MIRA Board of Directors reviews site plans for new development and rezoning requests in the MIRA redevelopment area. During these reviews, the Board considers the economic, environmental and cultural impact. They approve plans or make recommendations that promote strategic, high-quality changes that are in the best interest of the public. In 2021, The MIRA Board of Directors provided input for nine new development projects.

1. Reviewed and approved 231 Parnell Street office building site plan
2. Reviewed and approved amendment to Pioneer Point Binding Development Plan to allow for carwash
3. Reviewed and approved Hampton Manor Senior Living site plan
4. Reviewed and approved the Starbucks site plan
5. Reviewed and approved 605 Oleander Dr (Cone Road Business Park) Rezoning Single Family Residential to RU1-9 to BU-2
6. Reviewed and approved rezoning request from BU-1 to RU-2-15 for southeast corner of Palmetto Avenue and Burnwood Drive for Schwab Construction Group
7. Reviewed and approved Launch Credit Union (415 Fortenberry Road) commercial site plan which reflected an additional 48 parking spaces as part of the existing development at the southeast corner of Fortenberry Road and South Palmetto Street
8. Reviewed and approved Twins Car Wash site plan
9. Reviewed Boateka site plan. Board made recommendations to make site more aesthetically pleasing



2021 MIRA TAX INCREMENT FINANCING (TIF) COLLECTION

TYPE	SOURCE	AMOUNT
CURRENT YEAR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 1988 – B1 – E. Merritt Island Causeway	DOR DR420 TIF Sec. 1 (1)	\$363,014,434
BASE YEAR TAXABLE VALUE IN CRA	DOR DR420 TIF Sec. 1 (2)	\$124,138,790
CURRENT YEAR TAX INCREMENT VALUE	DOR DR420 TIF Sec. 1 (3)	\$238,875,644
PRIOR YEAR FINAL TAXABLE VALUE IN THE TAX INCREMENT AREA	DOR DR420 TIF Sec. 1 (4)	\$367,323,361
PRIOR YEAR TAX INCREMENT VALUE (LINE 4 MINUS LINE 2)	DOR DR420 TIF Sec. 1 (5)	\$243,184,571
PORTION ON WHICH THE PAYMENT IS BASED	DOR DR420 TIFSEC. 2 (6A)	95%
DEDICATED INCREMENT VALUE	DOR DR420 TIFSEC. 2 (6B)	\$226,931,862
AMOUNT PAID TO MIRA TRUST FUND IN PRIOR YEAR	DOR DR420 TIFSEC. 2 (6C)	\$853,153

TYPE	SOURCE	AMOUNT
CURRENT YEAR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 1990 – B2 – Newfound Harbor & 520	DOR DR420 TIF Sec. 1 (1)	\$55,409,400
BASE YEAR TAXABLE VALUE IN CRA	DOR DR420 TIF Sec. 1 (2)	\$17,082,580
CURRENT YEAR TAX INCREMENT VALUE	DOR DR420 TIF Sec. 1 (3)	\$38,326,820
PRIOR YEAR FINAL TAXABLE VALUE IN THE TAX INCREMENT AREA	DOR DR420 TIF Sec. 1 (4)	\$56,422,630
PRIOR YEAR TAX INCREMENT VALUE (LINE 4 MINUS LINE 2)	DOR DR420 TIF Sec. 1 (5)	\$39,340,050
PORTION ON WHICH THE PAYMENT IS BASED	DOR DR420 TIFSEC. 2 (6A)	95%
DEDICATED INCREMENT VALUE	DOR DR420 TIFSEC. 2 (6B)	\$36,410,479
AMOUNT PAID TO MIRA TRUST FUND IN PRIOR YEAR	DOR DR420 TIFSEC. 2 (6C)	\$138,015



2021 MIRA TAX INCREMENT FINANCING (TIF) COLLECTION

TYPE	SOURCE	AMOUNT
CURRENT YEAR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 2005 – B3 – N. Courtenay Parkway	DOR DR420 TIF Sec. 1 (1)	\$67,233,508
BASE YEAR TAXABLE VALUE IN CRA	DOR DR420 TIF Sec. 1 (2)	\$50,549,420
CURRENT YEAR TAX INCREMENT VALUE	DOR DR420 TIF Sec. 1 (3)	\$16,684,088
PRIOR YEAR FINAL TAXABLE VALUE IN THE TAX INCREMENT AREA	DOR DR420 TIF Sec. 1 (4)	\$64,912,906
PRIOR YEAR TAX INCREMENT VALUE (LINE 4 MINUS LINE 2)	DOR DR420 TIF Sec. 1 (5)	\$14,363,486
PORTION ON WHICH THE PAYMENT IS BASED	DOR DR420 TIFSEC. 2 (6A)	95%
DEDICATED INCREMENT VALUE	DOR DR420 TIFSEC. 2 (6B)	\$15,849,884
AMOUNT PAID TO MIRA TRUST FUND IN PRIOR YEAR	DOR DR420 TIFSEC. 2 (6C)	\$50,391

TYPE	SOURCE	AMOUNT
CURRENT YEAR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 2014 – B4 – Barge Canal & Cone Road	DOR DR420 TIF Sec. 1 (1)	\$170,714,710
BASE YEAR TAXABLE VALUE IN CRA	DOR DR420 TIF Sec. 1 (2)	\$86,165,030
CURRENT YEAR TAX INCREMENT VALUE	DOR DR420 TIF Sec. 1 (3)	\$84,549,680
PRIOR YEAR FINAL TAXABLE VALUE IN THE TAX INCREMENT AREA	DOR DR420 TIF Sec. 1 (4)	\$148,416,500
PRIOR YEAR TAX INCREMENT VALUE (LINE 4 MINUS LINE 2)	DOR DR420 TIF Sec. 1 (5)	\$62,251,470
PORTION ON WHICH THE PAYMENT IS BASED	DOR DR420 TIFSEC. 2 (6A)	95%
DEDICATED INCREMENT VALUE	DOR DR420 TIFSEC. 2 (6B)	\$80,322,196
AMOUNT PAID TO MIRA TRUST FUND IN PRIOR YEAR	DOR DR420 TIFSEC. 2 (6C)	\$218,394

Total \$1,259,953



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

BUDGET SUMMARIES

Budget by Agency

Budget by Agency

Brevard County	FY 2021-2022 Adopted Budget		FY 2021-2022 Adopted Budget
Board of County Commissioners	\$1,800,997	Clerk to the Board	\$2,200,000
Budget Office	\$695,440	Property Appraiser's Office	\$2,186,545
Central Services	\$4,354,344	Sheriff's Office	\$156,747,125
County Attorney	\$1,864,232	Supervisor of Elections	\$6,285,167
County Manager's Office	\$1,125,439	Tax Collector's Office	\$3,282,548
Emergency Management	\$29,830,191	<i>Constitutional Officers Total</i>	<i>\$170,701,385</i>
Fire Rescue Department	\$93,968,172		
General Government Services	\$184,484,601		
Housing and Human Services	\$31,489,862		
Human Resources Office	\$127,751,280	Judicial Branch Administration	\$518,530
Information Technology Department	\$7,762,139	Judicial Support	\$6,059,567
Library Services Department	\$28,308,215	Law Library Office	\$392,456
Mosquito Control	\$12,178,027	State Attorney's Office	\$399,512
Natural Resources	\$283,632,305	<i>Court Operations Total</i>	<i>\$7,370,065</i>
Parks and Recreation Department	\$88,961,041		
Planning and Development Department	\$70,993,746		
Public Safety	\$4,835,428		
Public Works Department	\$134,185,725		
Solid Waste Management Department	\$139,147,204	Melbourne-Tillman Water Control District	\$4,113,883
Space Coast Government Television/Communications	\$358,520	Merritt Island Redevelopment Agency (MIRA)	\$6,626,043
Tourism Development Office	\$43,408,862	North Brevard Economic Development Zone	\$12,285,557
Transit Services Department	\$38,636,861	Titusville-Cocoa Airport Authority	\$2,503,593
UF/Brevard County Extension Services Office	\$1,051,503	Transportation Planning Office	\$1,961,962
Utility Services Department	\$111,097,395	<i>Outside Agencies Total</i>	<i>\$27,491,038</i>
Valkaria Airport	\$3,639,026		
<i>Board Agency Total</i>	<i>\$1,445,560,555</i>	Brevard County Total	\$1,651,123,043



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

BUDGET SUMMARIES

Position Count by Agency

Position Count by Agency

Program	Personnel Type	FY 2020	FY 2021	FY 2022	Change
Tourism Development Office Total	Full-time Equivalent	13.00	16.50	15.50	(1.00)
Tourism Development Office Temporary Total	Temporary Full-time Equivalent	0.25	0.25	0.25	-
Transit Services Department Total	Full-time Equivalent	139.25	140.75	148.75	8.00
Agriculture Extension Services	Full-time Equivalent	15.00	15.00	15.00	-
Soil Conservation and Resource Management	Full-time Equivalent	1.00	1.00	1.00	-
U F/Brevard County Extension Services Total	Full-time Equivalent	16.00	16.00	16.00	-
County Water and Wastewater	Full-time Equivalent	162.00	167.00	174.00	7.00
Barefoot Bay Water and Wastewater	Full-time Equivalent	13.50	13.50	13.50	-
Utility Services Department Total	Full-time Equivalent	175.50	180.50	187.50	7.00
Valkaria Airport Total	Full-time Equivalent	3.50	3.50	3.50	-
Board Agency Total	F T E and Temporary Total	2,430.25	2,442.25	2,474.75	32.50
North Brevard Economic Development Zone Total	Full-time Equivalent	1.00	1.00	3.00	2.00
Merritt Island Redevelopment Agency Total	Full-time Equivalent	2.25	2.75	2.75	-
Transportation Planning Organization Total	Full-time Equivalent	9.00	9.00	10.00	1.00
Outside Agency Total	F T E and Temporary Total	12.25	12.75	15.75	3.00
Judicial Branch Administration Total	Full-time Equivalent	3.50	4.50	4.50	-
Judicial Support Total	Full-time Equivalent	10.00	10.00	10.00	-
Law Library Total	Full-time Equivalent	3.00	3.00	3.00	-
State Attorney Total	Full-time Equivalent	2.00	2.00	2.00	-
Court Operations Total	F T E and Temporary Total	18.50	19.50	19.50	-



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

Mission Statement:

The Mission of the Merritt Island Redevelopment Agency (MIRA) is to create and implement community-based redevelopment strategies ensuring quality growth and economic development, preserving Merritt Island's history, culture and natural environment, improving the quality of life for Merritt Island residents, businesses, and its visitors. The Agency creates and implements redevelopment strategies through programs and services that set the stage for economic redevelopment, alleviation of slum and blight, improve waterfront access to the general public, environmental preservation, improve use and access of recreational space, historic and cultural preservation, multimodal transportation enhancements, and beautification.

Programs And Services:

Accomplishments, Initiatives, Trends And Issues And Service Level Impacts:

Merritt Island Redevelopment Agency:

- Capital improvement projects and planning
- Improvements to Multimodal Transportation Access
- Business advocacy, expansion assistance, education and redevelopment initiatives
- Marketing/Outreach for programs
- Maintain Inventory of Site Parameters for key Sites available for redevelopment area
- Business visitation retention program
- Façade Improvement grant program
- Streetscape Improvements
- Brownfield programs assistance
- Review Zoning, Conditional Use and Site Plans, consultations, and recommendations
- Provision of Market Data, Demographics, Maps, and Incentive Programs Information

Accomplishments:

- Funded over \$1 million of walkways, board walks, parking area and other improvements at Veterans Memorial Park
- Awarded \$1.27 million dollar grant for the Veteran's Park Bandshell Amphitheatre Project
- Received a \$50,000 private donation towards landscaping at the Veteran's Park Project
- Integral partner with County in award of several million dollars of CARES Act small business grants reaching more than 300 businesses
- Awarded approximately \$400,000 in small business septic to sewer grants leading to completion of the Cone Road Septic to Sewer Project through partnering with Public Works, Save our Indian River Lagoon Program, the St. Johns River Water Management District, and Florida Department of Environmental Protection
- Completed the Cone Road Septic Residential Hook-up Grant Project; hooking up 55 septic users to sewer connections
- Completed Phase I of installing 4 new solar lighted, multi modal bus shelters in Merritt Island through partnering with the Space Coast Area Transit
- Completion of first Independent Audit, and first cycle of Board Member Ethics Training required of the Agency under 2019 CRA State Statutes



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

Initiatives:

- 10-year commitment to funding the Sea Ray Drive Bridge Infrastructure Project, via Partnership Agreement with Brevard County Board of County Commissioners
- In conjunction with Sea Ray Drive Bridge Project, Merritt Island Barge Canal Corridor Improvements Concept Planning; partnering with Public Works, State of Florida, Port Canaveral, and Private Sector based Land Owners
- Implementation of Redevelopment/Economic Development based Merritt Island Redevelopment Agency web site and Social Media outreach strategy
- Zoning Overlay Districts for Mall Commercial Core and Medical Office areas
- Update of the Merritt Island Redevelopment Plan
- \$2.3 Million Dollar Veterans Memorial Park Amphitheatre Project, in design and engineering phase
- North S.R. 520 Stormwater Project
- \$2.2 Million South Courtenay Parkway Fortenberry to Cone Road Infrastructure and image enhancement project through partnering with Public Works
- Funding of more than \$500,000 of improvements to Historic Griffis Landing at Blue Crab Cove

Trends and Issues:

- Development of the \$300 Million Dollar Health First Medical Wellness Village Project in Merritt Island on S.R. 520
- Redevelopment of the Mall Commercial Core Area
- Continued expansion of the Space Industry on North Merritt Island
- Continuation of trends shaping the future of retail real estate: department store deconstruction and obsolescence, overall retail industry maturity, changes in consumer demographics and preferences, and advances in retail technology, including e-commerce
- Aging Properties and Aging Infrastructure
- Transportation capacity and safety becoming an increasing concern for Courtenay Parkway and SR 520 users
- Economic impact of the COVID 19 crisis remains to be determined on the Merritt Island Commercial Core areas
- Redevelopment of automobile dealership properties due to moving out of Merritt Island to the I95 corridor

Service Level Impacts:

As we move beyond the recent pandemic economic shutdown crisis, there has been substantial change to affected businesses and residents of our communities. With more remote working from home, the market place is experiencing adjustments and adaptations. Merritt Island, as well as, the country's many communities will need to develop strategies in for living and safely doing business moving forward. MIRA will continue to insert its mission and expertise, into the many facets of Merritt Island redevelopment permitted by State Statute as the Merritt Island community stretches and seeks its own particular strategies for a better future.



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

Summary

Merritt Island Redevelopment Agency Revenue & Expense Category	Actual FY 2019-2020	Final Budget FY 2020-2021	Adopted Budget FY 2021-2022	Difference	% Change
Taxes Revenue	\$1,373,413	\$1,217,483	\$1,574,407	\$356,924	29.32%
Permits, Fees & Special Assessment Revenue	\$-	\$-	\$-	\$-	-%
Intergovernmental Revenue	\$81,550	\$140,163	\$1,337,719	\$1,197,556	854.40%
Charges for Services Revenue	\$-	\$-	\$-	\$-	-%
Fines and Forfeits Revenue	\$-	\$-	\$-	\$-	-%
Miscellaneous Revenue	\$510,188	\$35,000	\$19,206	\$(15,794)	(45.13%)
Statutory Reduction	\$-	\$(69,633)	\$(146,567)	\$(76,934)	110.48%
Total Operating Revenues	\$1,965,151	\$1,323,013	\$2,784,765	\$1,461,752	110.49%
Balance Forward Revenue	\$3,169,077	\$4,188,351	\$3,841,278	\$(347,073)	(8.29%)
Transfers - General Revenue	\$-	\$-	\$-	\$-	-%
Transfers - Other Revenue	\$-	\$35,000	\$-	\$(35,000)	(100.00%)
Other Finance Source Revenue	\$-	\$-	\$-	\$-	-%
Non-Operating Revenues	\$3,169,077	\$4,223,351	\$3,841,278	\$(382,073)	(9.05%)
Total Revenues	\$5,134,228	\$5,546,364	\$6,626,043	\$1,079,679	19.47%
Compensation and Benefits Expense	\$187,287	\$232,383	\$248,779	\$16,396	7.06%
Operating Expense	\$322,160	\$934,269	\$498,688	\$(435,581)	(46.62%)
Capital Outlay Expense	\$1,897	\$3,000	\$-	\$(3,000)	(100.00%)
Operating Expenses	\$511,343	\$1,169,652	\$747,467	\$(422,185)	(36.09%)
C I P Expense	\$267,572	\$4,176,712	\$5,422,163	\$1,245,451	29.82%
Debt Service Expense	\$-	\$-	\$-	\$-	-%
Reserves-Operating Expense	\$-	\$-	\$-	\$-	-%
Reserves - Capital Expense	\$-	\$-	\$-	\$-	-%
Reserves - Restricted Expense	\$-	\$-	\$-	\$-	-%
Grants and Aid Expense	\$166,963	\$200,000	\$200,000	\$-	-%
Transfers Expense	\$-	\$-	\$256,413	\$256,413	-%
Non-Operating Expenses	\$434,535	\$4,376,712	\$5,878,576	\$1,501,864	34.31%
Total Expenses	\$945,878	\$5,546,364	\$6,626,043	\$1,079,679	19.47%



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

Budget Variances			
Merritt Island Redevelopment Agency Revenue and Expense Category	Difference	% Change	Explanation
Taxes Revenue	\$356,924	29.32%	Increase is primarily due to a change in methodology whereas increment funds dedicated to Sea Ray Bridge will now be captured in MIRA's budget and subsequently transferred to Public Works to be allocated to the Sea Ray Bridge project
Permits, Fees & Special Assessment Revenue	\$-	-%	
Intergovernmental Revenue	\$1,197,556	854.40%	Attributable to grants associated with the Bandshell Amphitheatre Capital Improvement project
Charges for Services Revenue	\$-	-%	
Fines and Forfeits Revenue	\$-	-%	
Miscellaneous Revenue	\$(15,794)	(45.13%)	Attributable to a projected decrease in fund balance as well as reduced interest rates in F Y 2022
Statutory Reduction	\$(76,934)	110.48%	Coincides with changes in Operating Revenues
Balance Forward Revenue	\$(347,073)	(8.29%)	Attributable to the progression of Capital Improvement projects in F Y 2021
Transfers - General Revenue	\$-	-%	
Transfers - Other Revenue	\$(35,000)	(100.00%)	Attributable to a non-recurring transfer from Natural Resources related to a cost sharing agreement associated with the Doc's Bait House Renovations Capital Improvement Project
Other Finance Source Revenue	\$-	-%	
Compensation and Benefits Expense	\$16,396	7.06%	Attributable to Cost of Living Adjustments, F R S rate increases, increases in Health Insurance and other salary adjustments
Operating Expense	\$(435,581)	(46.62%)	Primarily attributable to a reduction in Professional and Other Contracted Services associated with the advancement of projects to the construction phase
Capital Outlay Expense	\$(3,000)	(100.00%)	Attributable to the completion of Capital purchases in F Y 2021
Grants and Aid Expense	\$-	-%	
C I P Expense	\$1,245,451	29.82%	Attributable to the progression of Capital Improvement projects into the construction phase
Debt Service Expense	\$-	-%	
Reserves-Operating Expense	\$-	-%	
Reserves - Capital Expense	\$-	-%	
Reserves - Restricted Expense	\$-	-%	
Transfers Expense	\$256,413	-%	Attributable to a change in methodology whereas increment funds dedicated to Sea Ray Bridge will now be captured in the Merritt Island Redevelopment Agency's budget and subsequently transferred to Public Works to be allocated to the Sea Ray Bridge project



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

Performance Measures

Program	Objective	Measure	Actual FY 2019-2020	Estimated FY 2020-2021	Projected FY 2021-2022
Merritt Island Redevelopment Agency	Community Outreach	Number of Presentations	6	8	10
Merritt Island Redevelopment Agency	Community Outreach	Client Mail and Email outreach	100	1,400	3,000
Merritt Island Redevelopment Agency	Increased Efficiency	Site Plan/Zoning Reviews	8	12	15
Merritt Island Redevelopment Agency	Program outreach/Assistance to new/existing businesses	Number of Businesses Visited/Consulted	104	1,080	780
Merritt Island Redevelopment Agency	Septic to Sewer	Property Owners Served	25	\$30	N/A
Merritt Island Redevelopment Agency	Capital Appreciation in designated Redevelopment Area	Appraised Tax Base in Redevelopment Area	561,171,889	602,287,724	647,889,303
Merritt Island Redevelopment Agency	Facilitate Creation and Retention of Jobs	Number of Persons Employed	16,600	15,000	17,000
Merritt Island Redevelopment Agency	Façade Improvements	Grants Awarded (In \$)	65,000	75000	150,000
Merritt Island Redevelopment Agency	Redevelopment Activity	Acres Redeveloped	38	45	60
Merritt Island Redevelopment Agency	Brownfield Assistance	Number of businesses assisted	2	5	10

Fiscal Year 2021-2022 Travel A&B Summary

Program Name	Description	Position	Destination	Funding Source	Total Cost
Merritt Island Redevelopment Agency	Redevelopment Conference	Director	Tampa, Florida	Increment Tax	\$1,000
Merritt Island Redevelopment Agency	Redevelopment Conference	Director	T B D	Increment Tax	\$1,000
Merritt Island Redevelopment Agency	Redevelopment Conference	Director, Manager	T B D	Increment Tax	\$800
Total Funded For Department					\$2,800



2021-22 ANNUAL OPERATING AND CAPITAL BUDGET

Fiscal Year 2021-2022 Capital Outlay Summary

Program Name	Description	Quantity	Unit Cost	Funding Source	Total Cost
Merritt Island Redevelopment Agency	Desktop Computer Replacement	3	1,000	Increment Tax	\$3,000
Total Funded For Department					\$3,000

Special Note:

In accordance with Brevard County Board of County Commissioners' Policy BCC-24, Procurement, this form satisfies Directive III. E. 4., requiring a detailed list of approved capital outlay items and equipment to be reviewed and approved by the Board during the Budget process.

Fiscal Year 2021-2022 Capital Improvements Program

Program Name	Description	Funding Source	Total Cost
Merritt Island Redevelopment	Bandshell Amphitheatre	Increment Tax	\$2,150,833
Merritt Island Redevelopment	520 East Median Expansion	Increment Tax	\$176,330
Merritt Island Redevelopment	Veteran's Park	Increment Tax	\$1,000,000
Merritt Island Redevelopment	Bus Shelters	Increment Tax	\$120,000
Merritt Island Redevelopment	Griffis Landing Fuel and Dredging	Increment Tax	\$500,000
Merritt Island Redevelopment	South Courtenay Cone to Fortenberry Road Widening	Increment Tax	\$1,300,000
Merritt Island Redevelopment	Merritt Island Mall Redevelopment	Increment Tax	\$175,000
Total Funded For Department			\$5,422,163



MERRITT ISLAND DEMOGRAPHICS

The population estimate for the Merritt Island *Census Designated Place* (CDP) in 2020 was 34,518. Census designated places are statistical geographic entities representing closely settled, unincorporated communities that are locally recognized and identified by name. The population for Merritt Island, zip codes 32952 and 32953 is estimated at 42,635. People over the age of 65 make up 23.5% of the population, while children make up 18.6% of the population.

2015-2019 Data

- 77.1% of housing units were owner-occupied
- Median monthly owner costs (with a mortgage) was \$1,635
- Median gross rent was \$1,019
- 94.6% of persons 25+ earned a high school diploma, or higher
- 35.6% of persons 25+ earned a bachelor's degree or higher

The population within a 5 minute drive of the Merritt Square Mall was 8,974. There were 2,300 families with a household size of 2.14 people in that population. The median household income in this demographic was \$52,102; the average household income was \$72,023; and the per capita income was \$33,435.

The population within a 10 minute drive of the Merritt Square Mall in 2021 was 46,800. There were 12,196 families with a household size of 2.29 people. The median household income in this demographic was \$55,289; the average household income was \$80,201; and the per capita income was \$34,790.

The population within a 20 minute drive of the Merritt Square Mall in 2021 was 159, 828. There were 39,431 families with a household size of 2.28 people. The median household income in this demographic was \$58,805; the average household income was \$83,512; and the per capita income was \$35,905.

The information on pages 25-34 are from five ESRI Tapestry Segmentation Area Profiles that cumulatively make up 61.2% of the area profile of the population living within a ten minute drive of the Merritt Square Mall. It describes this population's demographics, lifestyle preferences, income and housing, and where they choose to spend their money.



MERRITT ISLAND DEMOGRAPHICS

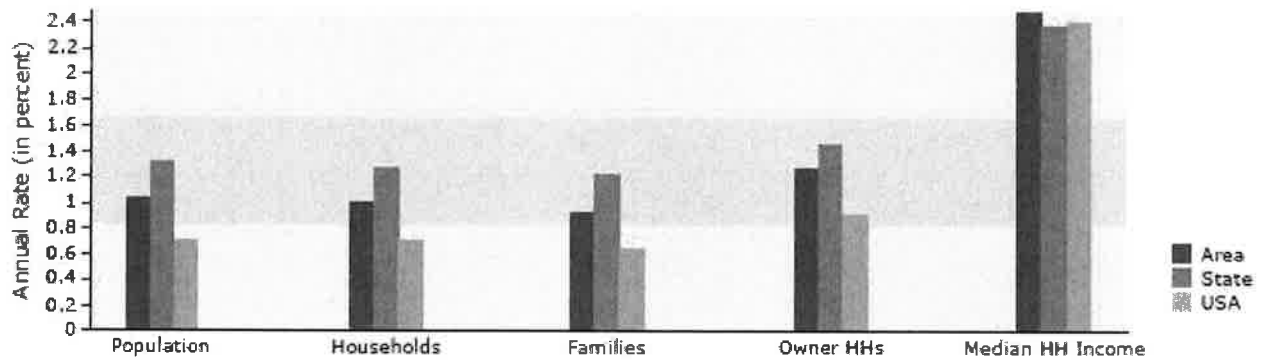


Demographic and Income Profile

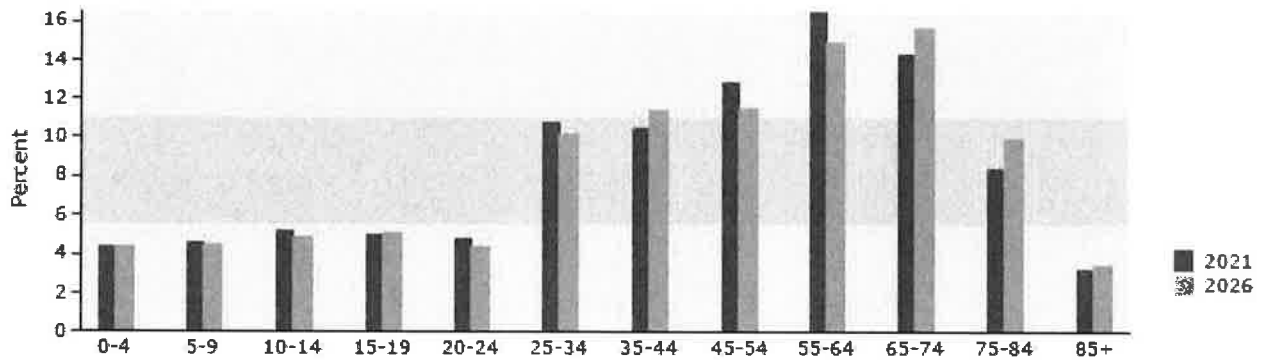
Merritt Island
777 E Merritt Island Merritt Island FL 32953
Drive Time: 20 drive time minute radius

Latitude: 28.3534
Longitude: -80.6871

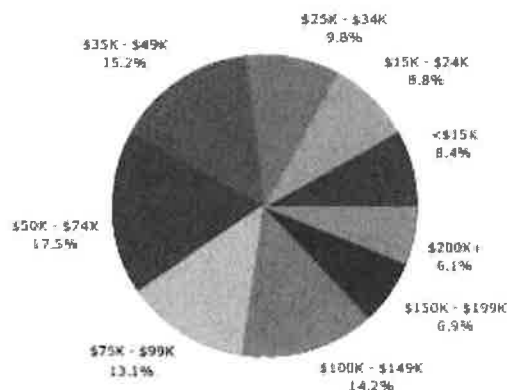
Trends 2021-2026



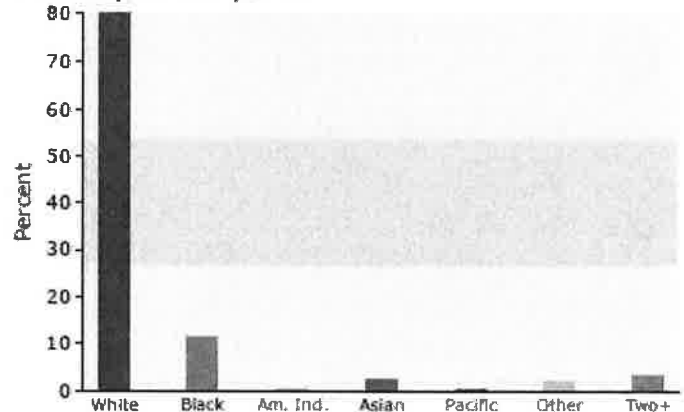
Population by Age



2021 Household Income



2021 Population by Race



2021 Percent Hispanic Origin: 9.8%



MERRITT ISLAND DRIVING SITE MAP

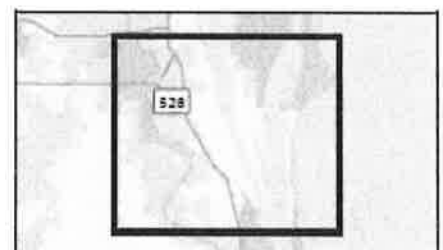
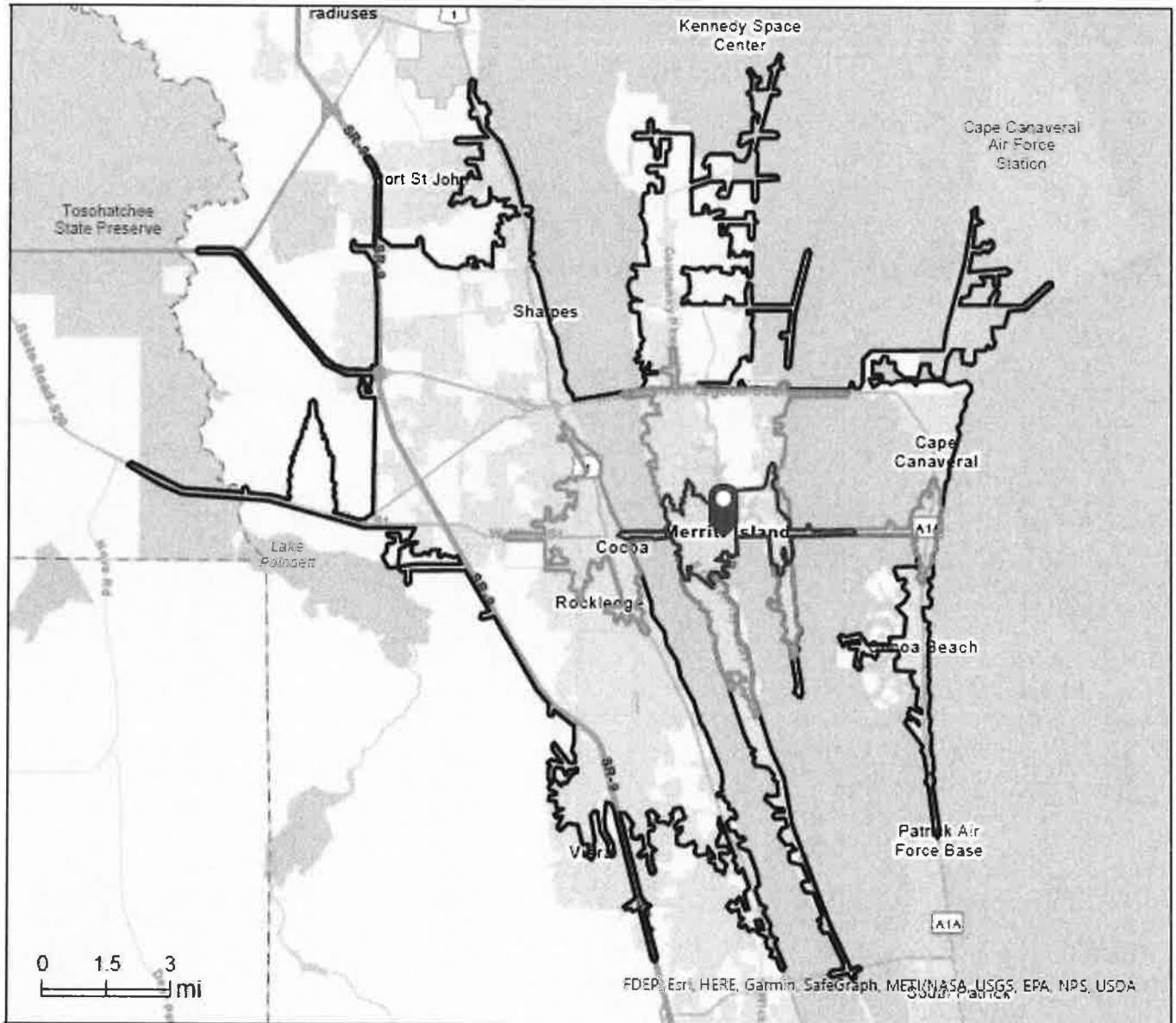


esri

Site Map

Merritt Island
777 E Merritt Island Merritt Island FL 32953
Drive Time: 5 -20 drive time minutes

Latitude: 28.3534
Longitude: -80.6871





MIDLIFE CONSTANTS (5E) – 22.5%

WHO ARE WE?

Midlife Constants residents are seniors, at or approaching retirement, with below average labor force participation and above average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. They are generous, but not spendthrifts.



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OUR NEIGHBORHOOD

- Older homes (most built before 1980) found in the suburban periphery of smaller metropolitan markets.
- Primarily married couples, with a growing share of singles.
- Settled neighborhoods with slow rates of change and residents that have lived in the same house for years.
- Single-family homes, less than half still mortgaged, with a median home value of \$154,100 (Index 74).

SOCIOECONOMIC TRAITS

- Education: 63% have a high school diploma or some college.
- At 31%, the labor force participation rate is low in this market (Index 91).
- Almost 42% of households are receiving Social Security (Index 141); 27% also receive retirement income (Index 149).
- Traditional, not trendy; opt for convenience and comfort, not cutting-edge. Technology has its uses, but the bells and whistles are a bother.
- Attentive to price, but not at the expense of quality, they prefer to buy American and natural products.
- Radio and newspapers are the media of choice (after television).

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by SRS Simmons.

5E

LifeMode Group: GenXurban

Midlife Constants



TAPESTRY
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MARKET PROFILE

(Consumer preferences are estimated from data by SRS Simmons.)

- Prefer practical vehicles like SUVs and trucks (domestic, of course).
- Sociable, church-going residents belonging to fraternal orders, veterans' clubs and charitable organizations and do volunteer work and fund-raising.
- Contribute to arts/cultural, educational, health, and social services organizations.
- DIY homebodies that spend on home improvement and gardening.
- Media preferences: country or movie channels.
- Leisure activities include movies at home, reading, fishing, and golf.

HOUSING

Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

Median Value:
\$154,100

US Median: \$207,100



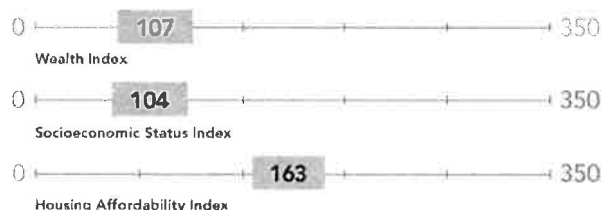
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed these indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.



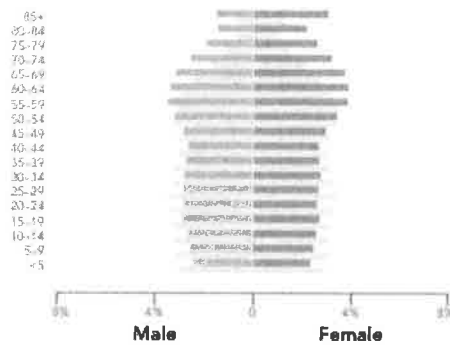


MIDLIFE CONSTANTS (5E) – 22.5%

AGE BY SEX (Esri data)

Median Age: 47.0 US: 38.2

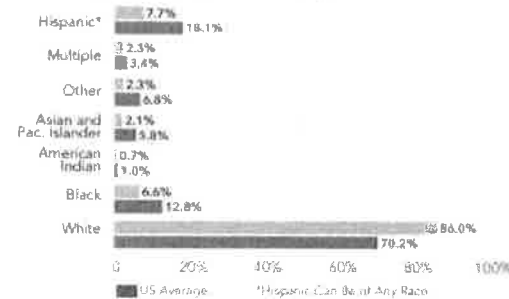
■ Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: 36.2 US: 64.0



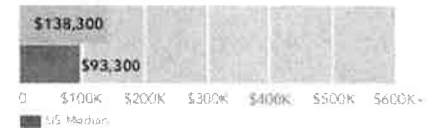
INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

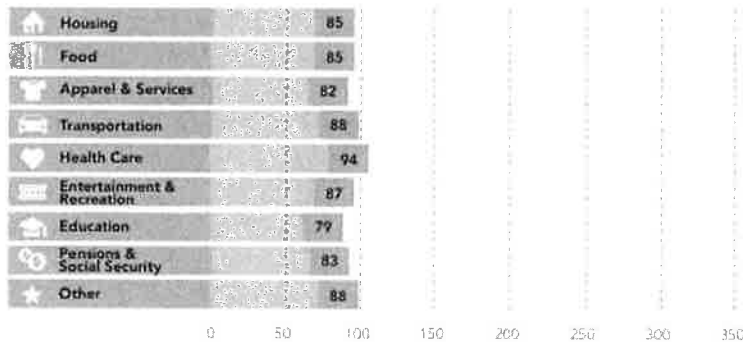


Median Net Worth



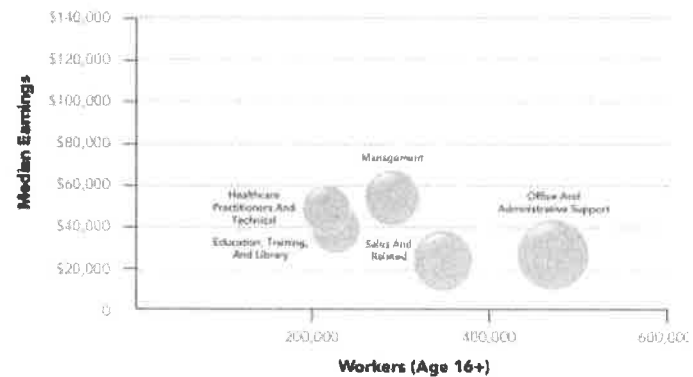
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





COMFORTABLE EMPTY NESTERS (5A) – 14.2%

WHO ARE WE?

Residents in this large, growing segment are older, with nearly half of all householders aged 55 or older; many still live in the suburbs where they grew up. Most are professionals working in government, health care, or manufacturing. These Baby Boomers are earning a comfortable living and benefitting from years of prudent investing and saving. Their net worth is well above average (Index 314). Many are enjoying the transition from child rearing to retirement. They value their health and financial well-being.

OUR NEIGHBORHOOD

- Married couples, some with children, but most without (Index 149).
- Average household size slightly higher at 2.52.
- Found throughout the suburbs and small towns of metropolitan areas, where most residents own and live in single-family detached homes (Index 142).
- Most homes built between 1950 and 1990 (Index 131).
- Households generally have one or two vehicles.

SOCIOECONOMIC TRAITS

- Education: 36% college graduates; nearly 68% with some college education.
- Average labor force participation at 61%.
- Most households' income from wages or salaries, but a third also draw income from investments (Index 150) and retirement (Index 159).
- Comfortable Empty Nesters residents physically and financially active.
- Prefer eating at home instead of dining out.
- Home maintenance a priority among these homeowners.



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Note: The index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRI Simmons.

5A

LifeMode Group: GenXurban

Comfortable Empty Nesters



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MARKET PROFILE

(Consumer preferences are estimated from data by MRI Simmons.)

- Residents enjoy listening to sports radio or watching sports on television.
- Physically active, they play golf, ski, ride bicycles, and work out regularly.
- Spending a lot of time online isn't a priority, so most own older home computers.
- Financial portfolio includes stocks, certificates of deposit, mutual funds, and real estate.

HOUSING

Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

Median Value:
\$203,400

US Median: \$207,300



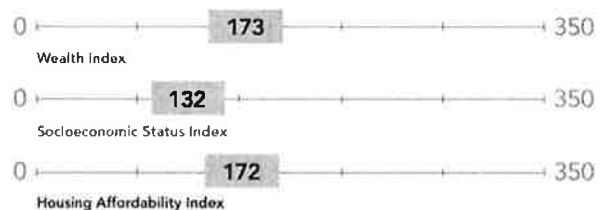
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





COMFORTABLE EMPTY NESTERS (5A) – 14.2%

5A

LifeMode Group: GenXurban

Comfortable Empty Nesters



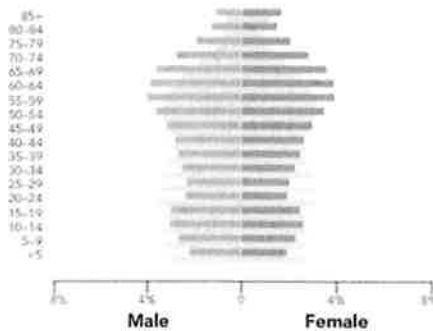
TAPESTRY
SEGMENTATION
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AGE BY SEX

(Esri data)

Median Age: 48.0 US: 38.2

== Indicates US

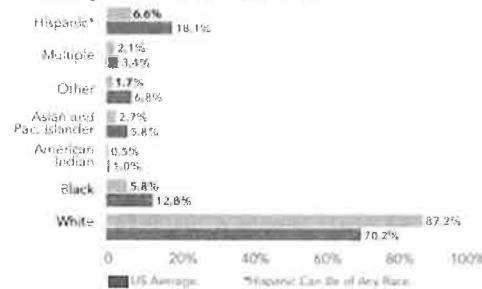


RACE AND ETHNICITY

(Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

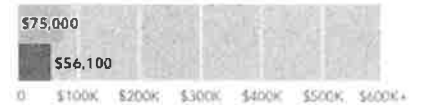
Diversity Index: 33.0 US: 64.0



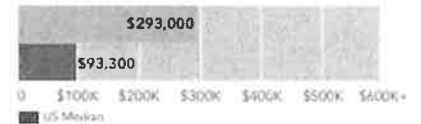
INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

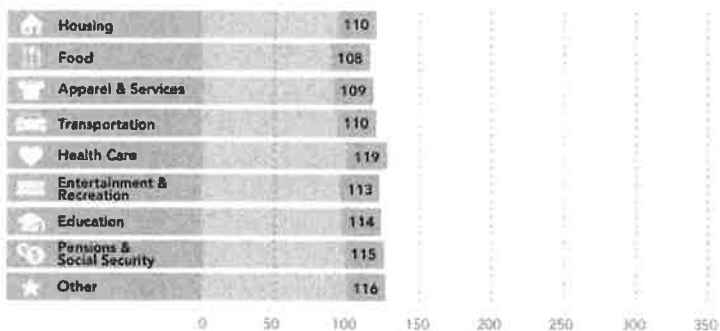


Median Net Worth



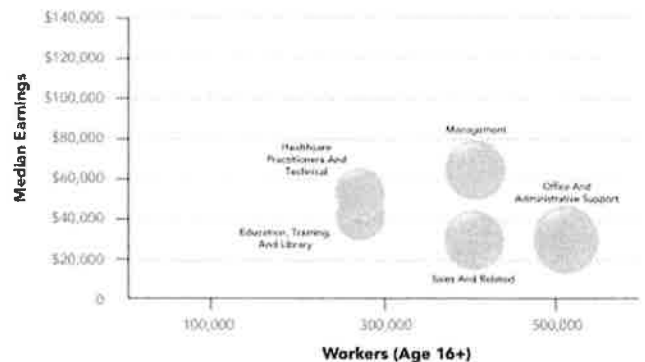
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





RUSTBELT TRADITIONS (5D) – 10%

WHO ARE WE?

The backbone of older industrial cities in states surrounding the Great Lakes, *Rustbelt Traditions* residents are a mix of married-couple families and singles living in older developments of single-family homes. While varied, the work force is primarily white collar, with a higher concentration of skilled workers in manufacturing, retail trade, and health care. *Rustbelt Traditions* represents a large market of stable, hard-working consumers with modest incomes but an average net worth of nearly \$400,000. Family oriented, they value time spent at home. Most have lived, worked, and played in the same area for years.



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OUR NEIGHBORHOOD

- Almost half (46%) of the households are married-couple families, similar to the US (48%), most without children (also similar to the US); the slightly higher proportion of singles (Index 105) reflects the aging of the population.
- Average household size is slightly lower at 2.47.
- They are movers, slightly more mobile than the US population (Index 109), but over 70 percent of house holders moved into their current homes before 2010.
- Most residents live in modest, single-family homes in older neighborhoods built in the 1950s (Index 224).
- Nearly three quarters own their homes; nearly half of households have mortgages.
- A large and growing market, Rustbelt Traditions residents are located in the dense urban fringe of metropolitan areas throughout the Midwest and South.
- Most households have 1 to 2 vehicles available.

SOCIOECONOMIC TRAITS

- Most have graduated from high school or spent some time at a college or university.
- Labor force participation slightly higher than the US at 67%.
- While most income is derived from wages and salaries, nearly 31% of households collect Social Security and nearly 20% draw income from retirement accounts.
- Family-oriented consumers who value time spent at home.
- Most have lived, worked, and played in the same area for years.
- Budget aware shoppers that favor American-made products.
- Read newspapers, especially the Sunday editions.

Note: The index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRG Simmons.

5D

LifeMode Group: GenXurban

Rustbelt Traditions



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MARKET PROFILE

(Consumer preferences are estimated from data by MRG Simmons.)

- Residents take advantage of convenience stores for fueling up and picking up incidentals.
- Watching television is a common pastime; many households have more than four TVs.
- Favorite programming ranges from ABC Family Channel, A&E, and TNT to children's shows on Nickelodeon and the Disney Channel.
- Residents are connected; entertainment activities like online gaming dominate their Internet usage.
- Favorite family restaurants include Applebee's, Arby's, and Texas Roadhouse.
- Radio dials are typically tuned to classic rock stations.

HOUSING

Median home value is displayed for markets that are primarily owner-occupied; average rent is shown for renter-occupied markets. Tapestry and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

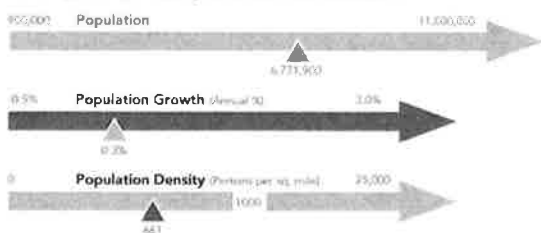
Median Value:
\$123,400

US Median: \$207,300



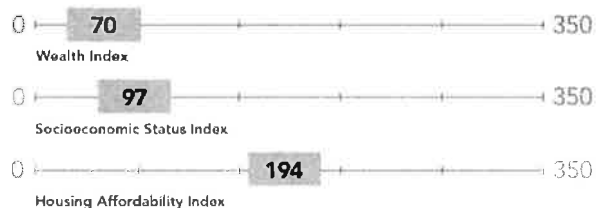
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





RUSTBELT TRADITIONS (5D) – 10%

5D

LifeMode Group: GenXurban

Rustbelt Traditions

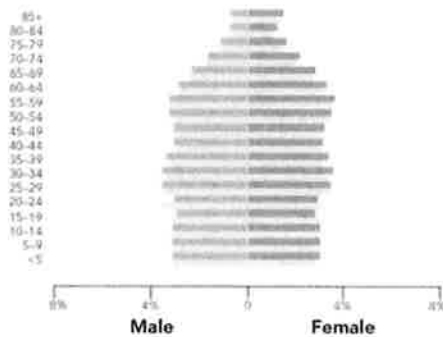


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AGE BY SEX (Esri data)

Median Age: 39.0 US: 38.2

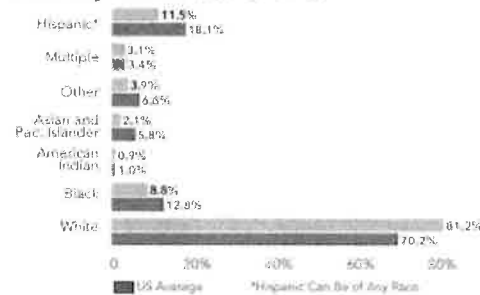
esri indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

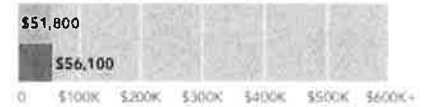
Diversity Index: 66.8 US: 64.0



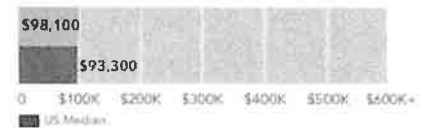
INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

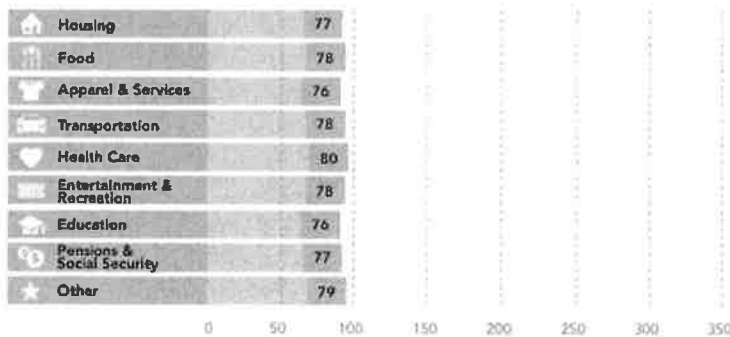


Median Net Worth



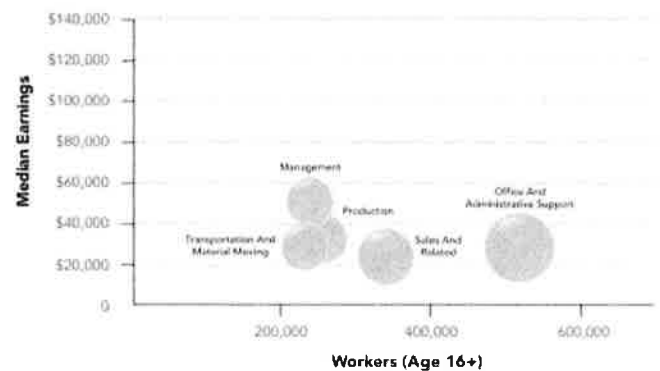
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





OLD AND NEWCOMERS (8F) – 7.7%

WHO ARE WE?

This market features singles' lifestyles, on a budget. The focus is more on convenience than consumerism, economy over acquisition. *Old and Newcomers* is composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. Some are still in college; some are taking adult education classes. They support charity causes and are environmentally conscious. Age is not always obvious from their choices.

OUR NEIGHBORHOOD

- Metropolitan city dwellers.
- Predominantly single households (Index 148), with a mix of married couples (no children); average household size lower at 2.12.
- 55% renter occupied; average rent is lower than the US (Index 85).
- 45% of housing units are single-family dwellings; 45% are multiunit buildings in older neighborhoods, built before 1980.
- Average vacancy rate at 11%.

SOCIOECONOMIC TRAITS

- An average labor force participation rate of 62.6%, despite the increasing number of retired workers.
- 32% of households are currently receiving income from Social Security.
- 31% have a college degree (Index 99), 33% have some college education (Index 114), 9% are still enrolled in college (Index 121).
- Consumers are price aware and coupon clippers, but open to impulse buys.
- They are attentive to environmental concerns.
- They are comfortable with the latest technology.



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Note: The index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRG Simoes.

8F

LifeMode Group: Middle Ground

Old and Newcomers



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MARKET PROFILE (Consumer preferences documented from census, MRG Simoes)

- Residents have a strong sense of community. They volunteer for charities, help fund raise, and recycle.
- They prefer cell phones to landlines.
- Entertainment features the Internet (employment searches, rating products, updating social media profiles), watching movies at home, listening to country music, and reading the paper.
- Vehicles are basically just a means of transportation.
- Food features convenience, frozen and fast food.
- They do banking as likely in person as online.

HOUSING

Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Figure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family;
Multi-Units

Average Rent:
\$880

US Average: \$1,038



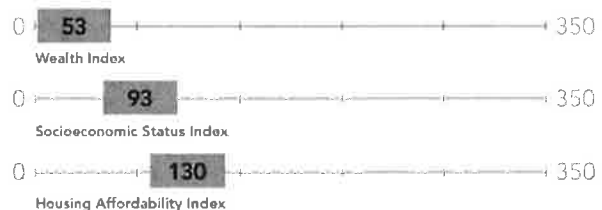
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

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OLD AND NEWCOMERS (8F) – 7.7%

8F

LifeMode Group: Middle Ground

Old and Newcomers

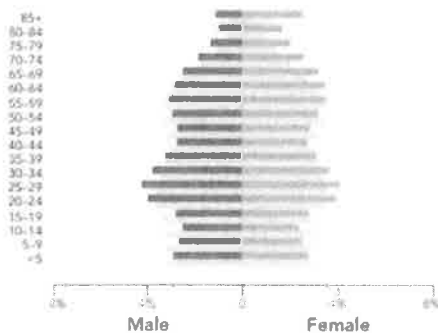
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AGE BY SEX

(2010 data)

Median Age: 39.4 US: 38.2

(see indicators US)

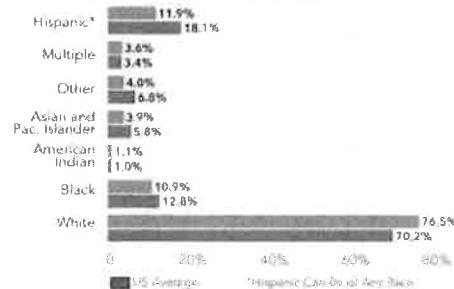


RACE AND ETHNICITY

(2010 data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: 52.7 US: 64.0



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

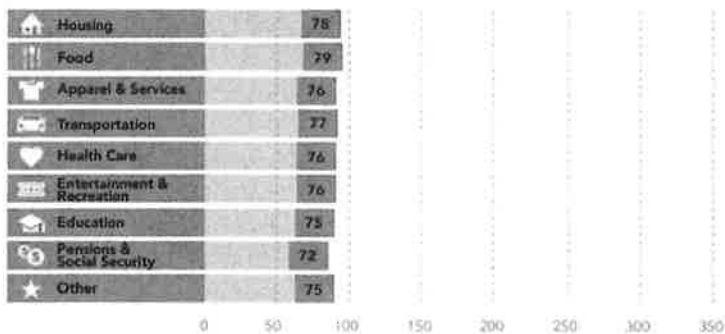


Median Net Worth



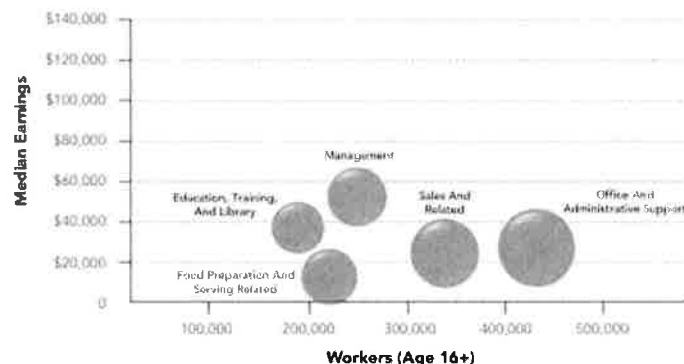
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





GOLDEN YEARS (9B) – 6.8%

WHO ARE WE?

Independent, active seniors nearing the end of their careers or already in retirement best describes *Golden Years* residents. This market is primarily singles living alone or empty nesters. Those still active in the labor force are employed in professional occupations; however, these consumers are actively pursuing a variety of leisure interests—travel, sports, dining out, museums, and concerts. They are involved, focused on physical fitness, and enjoying their lives. This market is smaller, but growing, and financially secure.



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OUR NEIGHBORHOOD

- This older market has a median age of 52 years and a disproportionate share (nearly 32%) of residents aged 65 years or older.
- Single-person households (over 40%) and married-couple families with no children (one-third) dominate these neighborhoods; average household size is low at 2.06 (Index 80).
- Most of the housing was built after 1970; approximately 43% of householders live in single-family homes and 43% in multiunit dwellings.
- These neighborhoods are found in large metropolitan areas, outside central cities, scattered across the US.

SOCIOECONOMIC TRAITS

- *Golden Years* residents—22% have graduate or professional degrees, 28% have bachelor's degrees, and 25% have some college credits.
- Labor force participation is somewhat low at 56% (Index 89), due to residents reaching retirement.
- Median household income is higher in this market, more than \$71,000. Although wages still provide income to nearly 2 out of 3 households, earned income is available from investments (Index 171), Social Security benefits (Index 146), and retirement income (Index 144).
- These consumers are well connected: Internet access is used for everything from shopping or paying bills to monitoring investments and entertainment.
- They are generous supporters of the arts and charitable organizations.
- They keep their landlines and view cell phones more as a convenience.

Note: The index represents the ratio of the segment rate to the US rate multiplied by 100. Completed preferences are additional data by ESRI Geocode.

9B

LifeMode Group: Senior Styles Golden Years



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MARKET PROFILE

(Consumer preferences are generated from data by 500+ consumers.)

- Avid readers, they regularly read daily newspapers, particularly the Sunday edition.
- They subscribe to cable TV; news and sports programs are popular as well as on-demand movies.
- They use professional services to maintain their homes inside and out and minimize their chores.
- Leisure time is spent on sports (tennis, golf, boating, and fishing) or simple exercise like walking.
- Good health is a priority; they believe in healthy eating, coupled with vitamins and dietary supplements.
- Active social lives include travel, especially abroad, plus going to concerts and museums.
- Residents maintain actively managed financial portfolios that include a range of instruments such as IRA's, common stocks, and certificates of deposit (more than six months).

POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



HOUSING

Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family;
Multi-Units

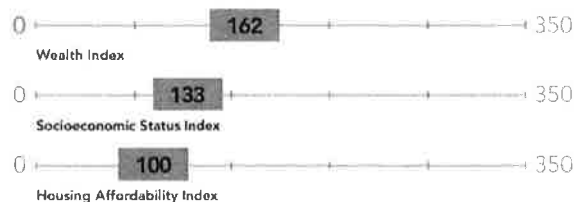
Median Value:
\$332,100

(US Median, \$207,300)



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





GOLDEN YEARS (9B) – 6.8%

9B

LifeMode Group: Senior Styles

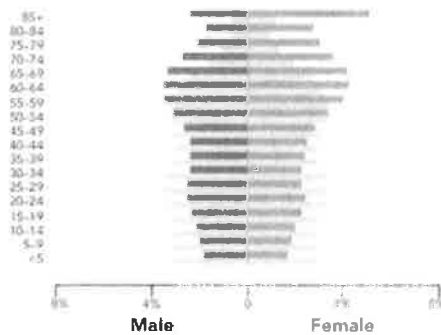
Golden Years

TAPESTRY SEGMENTATION
esri.com/tapestry

AGE BY SEX (ESR data)

Median Age: 52.3 US: 38.2

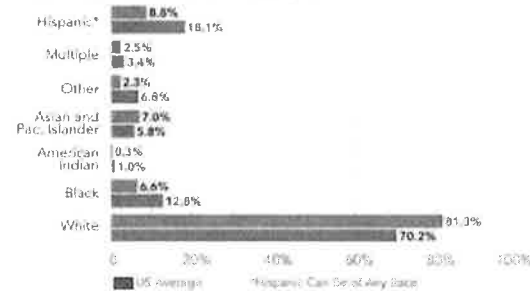
Indicates US



RACE AND ETHNICITY (ESR data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

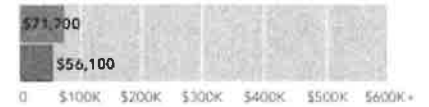
Diversity Index: 43.8 US: 64.0



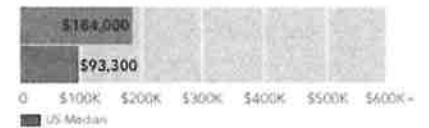
INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

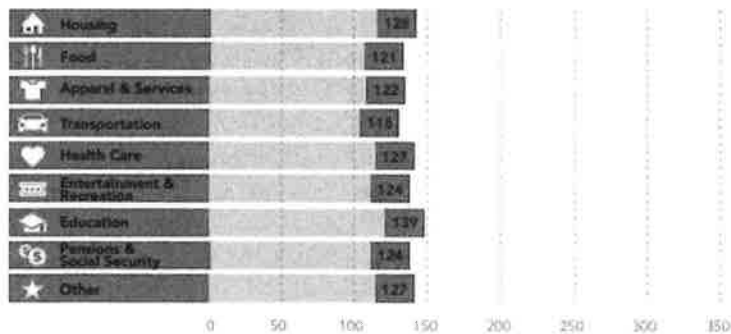


Median Net Worth



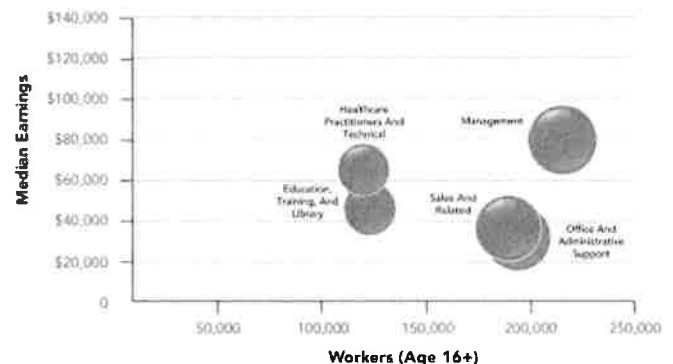
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.



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, 2021

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 Financial Statements

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, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the general fund of the Agency as of September 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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, 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 inquires 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 30, 2022, 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.

Chang Bohart LLP

Orlando, Florida
March 30, 2022

MERRITT ISLAND REDEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2021

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, 2021. 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, 2021 by \$3,337,491 (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 decreased by \$719,279, 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 other 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, 2021

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. In addition to the basic financial statements and accompanying notes, this report also presents certain 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 \$3,337,491 at the close of the most recent fiscal year. This compares with \$4,056,770 at the close of the previous fiscal year, a decrease of \$719,279.

The change in net position can primarily be attributed to the following factors:

- Cash equivalents decreased \$747,997 during fiscal year 2021 as a result of additional construction projects and changes in other balance sheet items.
- Total liabilities decreased \$64,143 primarily as a result of timing of vouchers and contracts payable and decreased accrued personnel costs.

		Net Position	
		2021	2020
Assets			
Current assets		\$ 3,689,527	\$ 4,472,949
Total assets		<u>\$ 3,689,527</u>	<u>\$ 4,472,949</u>
Liabilities			
Current liabilities		\$ 189,879	\$ 232,474
Noncurrent liabilities		162,157	183,705
Total liabilities		<u>\$ 352,036</u>	<u>\$ 416,179</u>
Net position			
Restricted:			
Merritt Island		\$ 3,337,491	\$ 4,056,770
Total net position		<u>\$ 3,337,491</u>	<u>\$ 4,056,770</u>

MERRITT ISLAND REDEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2021

Governmental Activities

Governmental activities decreased the Agency's net position by \$719,279 in fiscal year 2021, compared to an increase of \$1,006,586 in the prior fiscal year. Total revenues decreased by \$610,574 from last year primarily as a result of a \$422,370 prior year conveyance of unspent funding from the County to the Agency and a \$155,929 decrease in tax increment revenues.

Total expenses increased by \$1,115,291, primarily as a result of many more redevelopment initiatives underway in fiscal year 2021, including grants to individual and private organization property owners to convert to the County's sewer system, construction on the Veterans' Memorial Park and various other projects.

	Changes in Net Position	
	2021	2020
Revenues		
General revenues:		
Taxes	\$ 1,217,484	\$ 1,373,413
Other general revenues	165,032	619,677
Total general revenues	1,382,516	1,993,090
Expenses		
Program expenses	2,101,795	986,504
Change in net position	(719,279)	1,006,586
Net position beginning	4,056,770	3,050,184
Net position ending	\$ 3,337,491	\$ 4,056,770

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 207, Merritt Island, Florida 32953.

BASIC FINANCIAL STATEMENTS

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

ASSETS

Cash equivalents	\$ 3,643,402
Due from other governmental units	<u>46,125</u>
Total Assets	<u>\$ 3,689,527</u>

LIABILITIES

Vouchers and contracts payable	\$ 189,879
Noncurrent Liabilities:	
Due within one year:	
Accrued compensated absences	2,058
Due in more than one year:	
Accrued compensated absences	17,105
Accrued personnel costs	<u>142,994</u>
Total Noncurrent Liabilities	<u>162,157</u>
Total Liabilities	<u>\$ 352,036</u>

NET POSITION

Restricted for:	
Merritt Island	<u>\$ 3,337,491</u>
Total Net Position	<u>\$ 3,337,491</u>

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, 2021

General Revenues:	
Taxes - other	\$ 1,217,484
Contributions	50,000
Intergovernmental	81,125
Miscellaneous	33,907
Total General Revenues	<u>1,382,516</u>
 Program expenses	 <u>2,101,795</u>
 Change in net position	 (719,279)
Net position, beginning of the year	<u>4,056,770</u>
Net position, end of the year	<u><u>\$ 3,337,491</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, 2021

ASSETS

Cash equivalents	\$ 3,643,402
Due from other governmental units	<u>46,125</u>
Total Assets	\$ <u>3,689,527</u>

LIABILITIES

Vouchers and contracts payable	<u>\$ 189,879</u>
--------------------------------	-------------------

FUND BALANCE

Restricted	<u>3,499,648</u>
Total Liabilities and Fund Balance	\$ <u>3,689,527</u>

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	\$ 3,499,648
Long-term liabilities are not due and payable in the current period and, therefore, are not reported above.	<u>(162,157)</u>
Net position of governmental activities	\$ <u>3,337,491</u>

MERRITT ISLAND REDEVELOPMENT AGENCY**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
GENERAL FUND***YEAR ENDED SEPTEMBER 30, 2021***Revenues:**

Taxes - other	\$ 1,217,484
Contributions	50,000
Intergovernmental	81,125
Miscellaneous	33,907
Total Revenues	<u>1,382,516</u>

Expenditures:

Economic environment	<u>2,123,343</u>
Total Expenditures	<u>2,123,343</u>

Net change in fund balance	(740,827)
Fund balance, beginning	<u>4,240,475</u>
Fund balance, ending	<u>\$ 3,499,648</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
are different because:

Net change in fund balance-general fund	\$ (740,827)
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>21,548</u>
Change in net position of governmental activities	<u>\$ (719,279)</u>

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

MERRITT ISLAND REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

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. 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, 2021, 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 FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

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, 2021. 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, 2021, no excess of expenditures over appropriations at the legal level of budgetary control occurred.

The budget is adopted on a basis consistent with accounting principles generally accepted in the United States.

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 FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

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, 2021:

	October 1, 2020	Additions	Deletions	September 30, 2021	Due within one year
Governmental Activities:					
Accrued compensated absences	\$ 18,003	\$ 12,294	\$ 11,134	\$ 19,163	\$ 2,058
Accrued personnel costs	165,702	37	22,745	142,994	-
Total governmental activities					
long-term liabilities	\$ 183,705	\$ 12,331	\$ 33,879	\$ 162,157	\$ 2,058

Accrued compensated absences and accrued personnel costs are liquidated with resources of the same fund that has paid the applicable employees regular salaries and fringe benefits.

Note 4—Related party transactions

The Agency is a discretely presented component unit of Brevard County, Florida. For the year ended September 30, 2021, the Agency's tax increment revenues include \$1,217,484 received from the County.

MERRITT ISLAND REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

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, 2021 is as follows:

Sources of Deposits

County tax increment	\$ 1,217,484
Contributions	50,000
Intergovernmental	116,550
Miscellaneous	33,907
Total deposits	<u>\$ 1,417,941</u>

Purpose of Withdrawals

Economic environment	<u>\$ 2,165,938</u>
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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, 2021*

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes - other	\$ 1,217,484	\$ 1,217,484	\$ 1,217,484	\$ -
Contributions	-	-	50,000	50,000
Intergovernmental	140,163	175,163	81,125	(94,038)
Miscellaneous	35,000	35,000	33,907	(1,093)
Total Revenues	1,392,647	1,427,647	1,382,516	(45,131)
Expenditures:				
Economic environment	5,914,918	5,615,998	2,123,343	3,492,655
Total Expenditures	5,914,918	5,615,998	2,123,343	3,492,655
Net change in fund balance	(4,522,271)	(4,188,351)	(740,827)	(3,537,786)
Fund balance, beginning	4,522,271	4,188,351	4,240,475	52,124
Fund balance, ending	\$ -	\$ -	\$ 3,499,648	\$ 3,499,648

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, 2021, 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 30, 2022.

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 may exist that have not been identified.

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.

Handwritten signature of Cheryl Behart in cursive script.

Orlando, Florida
March 30, 2022

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, 2021, and have issued our report thereon dated March 30, 2022.

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 30, 2022, 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

Section 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.

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 3.
- b. There are no 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 \$172,173.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as 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 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
Veterans Amphitheater	\$ 2,300,000	6/1/2021	\$ 1,913

- 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, as zero.

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.

Cheryl Behrman

Orlando, Florida
March 30, 2022

**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, 2021. 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 that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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, 2021.

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.



Orlando, Florida
March 30, 2022

To the Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

We have audited the financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unity of Brevard County, Florida (the "County"), for the year ended September 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our contract for auditing services with the County dated October 1, 2019, and subsequently amended as of June 28, 2021. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. No significant new accounting policies were adopted and the application of existing policies was not changed during fiscal 2021. 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.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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 pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 30, 2022.

Management Consultations with Other Independent Accountants

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. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and required supplementary information, as listed in the table of contents, which are required supplementary information ("RSI") that supplements the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for use by the Board of Directors of Merritt Island Redevelopment Agency and management of the Agency and is not intended to be used by anyone other than these specified parties.

Cheryl Bohart

Orlando, Florida
March 30, 2022

City of Palm Bay

Bayfront Community Redevelopment Agency

2021 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) is due to sunset in 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 2021 Overview

An annual report of the Bayfront Community Redevelopment Agency (Bayfront CRA) for the fiscal year ending on September 30, 2021 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 2021.

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 2021, expected at the end of May 2022.

District Year in Review

In August 2021, the City and CRA sold the Pelican Harbor marina site along Palm Bay's waterfront for \$1.7 million-dollars to Space Coast Marinas, LLC. The development is anticipated to generate \$10-12 million-dollar capital investment and create over 300 jobs. The project is slated to include a dry dock boat storage and service facility, a boat launch

and wash area, boat club, ship store, tiki bar and outdoor entertainment venue, restaurant, and retail amenities including a valet service. The project will serve as an anchor for future development, bringing us a step closer to the City's vision for a Bayfront Village waterfront district.

In FY 2021, the City contracted with a commercial real estate broker, One Sotheby's and a residential real estate broker, Ellingson Properties, to actively market and sell City and CRA-owned surplus real estate to leverage favorable residential and commercial development projects.

The Bayfront CRA sold the following properties in FY2021 - 4220 Dixie Highway NE, 2920 Pospisil Ave. NE and 2932 Pospisil Ave NE, Palm Bay, FL 32905.

During FY 2021, Aqua Palm Bay Apartments, 320-luxury style apartment units located on Robert J. Conlan Boulevard and Dixie Highway/U.S. 1 along the Bayfront was completed and occupied, this is the newest apartment complex within the CRA.

Total Assessed Taxable Value

The Fiscal Year (FY) 2021 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 2020 certified taxable property values within the Bayfront redevelopment district was \$233,837,970 up from the 2019 and 2018 certified taxable values totaling \$223,965,788 and \$213,098,886, respectively. The 2020 certified taxable property value represents a net increase of four (4) percent or \$9,872,182 in taxable property value for over the last fiscal year.

Tax Revenues

Redevelopment activity within District provided the Bayfront CRA increased tax revenues to \$ 1,469,578, a 9.7 percent increase over 2019 (\$1,403,970).

The City portion of the increment equaled \$999,313 (68%) while the Brevard County portion totaled \$470,265 (32%) for FY 2021.

Expenditures

Expenditures for the Fiscal Year 2021 totaled \$730,944 with \$410,000 allocated to debt service.

Though the FY 2021 approved budget provided \$486,976 in total operational expenses, to include \$289,085 reimbursed to Brevard County for unexpended funds from Fiscal

Years 2018 and 2019 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 \$616,004 to reimburse the City's General Fund for similar unexpended funds from previous Fiscal Years.

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, 2021, the Board Commissioners were as follows:

Members

Rob Medina, Chairperson

Kenny Johnson, Vice-Chairperson

Donny Felix, Commissioner

Randy Foster, Commissioner

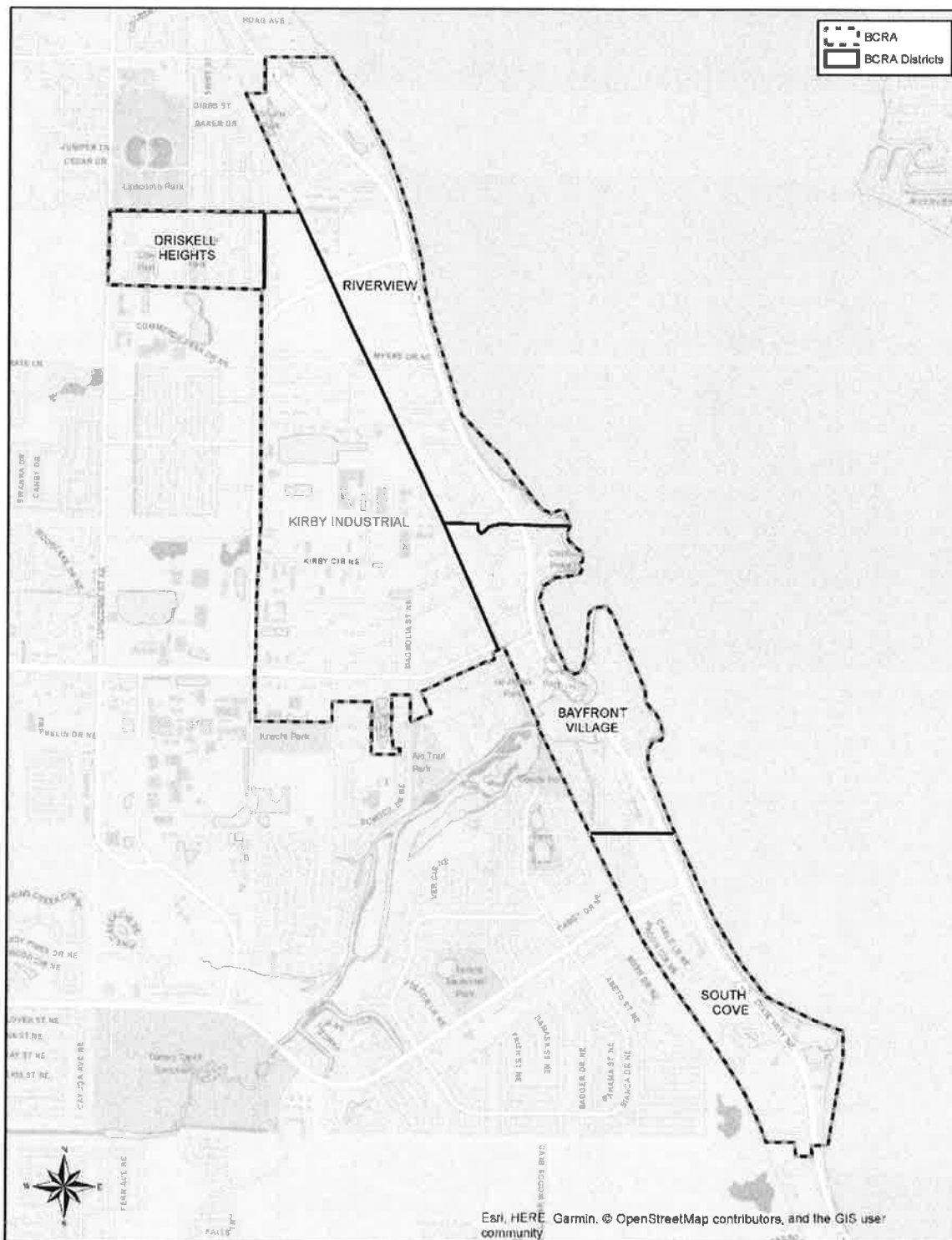
Vacant, Commissioner

Peter Filiberto, Commissioner At-Large

Aaron Parr, 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 will sunset 25 years from the date of establishment on May 4, 2024.

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. Projects Overview

Northshore Development's Aqua Project

In 2016, the Bayfront CRA launched a small marketing initiative to promote waterfront redevelopment as part of a published "Expression of Interest." This effort included a video and magazine advertisement that was produced internally for use in communicating the big-picture opportunity to a national audience. One of the successes culminating from that campaign was attracting the attention of an investment group, Northshore Development.

The Bayfront CRA succeeded in its efforts to attract the development of a new multi-family development project, to include commercial frontage along Robert J. Conlan

Boulevard. At a regularly scheduled meeting of the Bayfront CRA Board held on August 30, 2018, the CRA Board approved a Redevelopment Incentive Agreement for Northshore Development providing for a 90 percent rebate for five years on the assessed value of the new ad valorem tax generated from the project upon completion. The Aqua development project is expected to yield approximately \$52.9 million in private capital investment, which includes a 320-unit luxury apartment complex (Phase I) and over 40,000 square feet in commercial space providing for office, retail, restaurant, bar, and event venue (Phase II).

In November 2020, Northshore Development, LLC received their Certificate of Completion for Phase I of the project and is now fully occupied. Construction of Phase II commercial is in the site plan process and anticipated to start before the end of the 2022 calendar year.

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 estimate 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 projects in FY 2021.

b. Number of jobs created and sector of the economy from which these jobs were created within the CRA

The Aqua Apartments at Palm Bay, Phase I of Northshore Development, LLC's mixed-use development project, generated eight (8) full-time jobs and over 50 part-time indirect jobs, not including jobs related to construction.

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 2021 assessed property value was \$233,837,970.

e. Affordable Housing

No CRA funds have been expended for affordable housing projects in FY 2021.

ATTACHMENT “A”
Fiscal Year 2021 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, 2021 (unaudited)

REVENUES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Taxes	\$ 1,462,070	\$ 1,462,000	\$ -
Investment Income	6,400	2,277	(4,123)
Miscellaneous Revenue	3,401	5,301	1,900
Total Revenues	1,471,801	1,469,578	(2,223)

EXPENDITURES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Current:			
Economic Environment	486,976	298,135	188,841
Capital Outlay	-	-	-
Debt Service: Principal Retirement	410,000	410,000	-
Interest and Fiscal Charges	22,809	22,809	-
Total Expenditures	919,785	730,944	188,841
Excess (Deficiency) of Revenues Over (Under) Expenditures	552,016	738,634	186,618

OTHER FINANCING SOURCES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Transfers Out	(616,004)	(616,004)	-

OTHER FINANCING SOURCES			
	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Proceeds from Sale of Capital Assets	943,753	943,754	1
Total Other Financing Sources	327,749	327,750	1
Net Change in Fund Balance	\$ 879,765	\$ 1,066,384	\$ 186,619
Fund Balance - Beginning	-	905,089	-
Fund Balance - Ending	-	\$ 1,971,473	-

BALANCE SHEET – BAYFRONT COMMUNITY REDEVELOPMENT AGENCY
September 30, 2021 (unaudited)

ASSETS	Bayfront	
	Community	
	Redevelopment	
	Agency Fund	
Cash and Cash Equivalents		\$ 377,180
Investments		1,594,311
Total Assets		\$ 1,971,491
LIABILITIES AND FUND BALANCES		
Liabilities:	Bayfront	
	Community	
	Redevelopment	
	Agency Fund	
Accounts Payable		\$ 18
Total Liabilities		18
LIABILITIES AND FUND BALANCES		
Fund Balances:	Bayfront	
	Community	
	Redevelopment	
	Agency Fund	
Restricted		1,971,473
Total Fund Balances		1,971,473
Total Liabilities, Deferred Inflows of Resources and Fund Balances		\$ 1,971,491

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, 2021 (unaudited)

REVENUES	Bayfront Community Redevelopment Agency Fund	
Taxes		\$ 1,462,000
Investment Income		2,277
Miscellaneous Revenues		5,301
Total Revenues		1,469,578
EXPENDITURES	Bayfront Community Redevelopment Agency Fund	
Current:		
Economic Environment		298,135
Debt Service: Principal Retirement		410,000
Interest and Fiscal Charges		22,809
Total Expenditures		730,944
Excess (Deficiency) of Revenues Over Expenditures		738,634

OTHER FINANCING SOURCES (USES)

Transfers Out	
Proceeds from Sale of Capital Assets	(616,004)
Total Other Financing Sources and Uses	327,750
Net Change in Fund Balances	1,066,384
Fund Balances - Beginning	905,089
Fund Balances - Ending	\$ 1,971,473

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

NOTE 8 – Long Term Debt
For Fiscal Year Ended September 31, 2020 (unaudited)

Governmental Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Bayfront Community Redevelopment Agency Note, Series 2006	Financing of redevelopment activities of the BCRA	\$ 6,000,000	\$ 342,000	4.100	2022
Franchise Fee Revenue Note Series 2015	Financing of I-95 exchange project	4,744,000	2,495,000	2.100	2026
Franchise Fee Revenue Note, Series 2016	Partial Refunding of the Special Obligations Bonds, Series 2004	3,983,000	3,409,000	4.070	2031
Local Option Gas Tax Note, Series 2018	Financing I-95 connector road project	9,000,000	7,778,000	2.710	2033
Special Obligation Rev. Ref. Note Series 2020	Refunding of Public Service Tax Bonds	4,258,000	4,258,000	1.880	2036
Total Governmental Activities			\$ 18,282,000		

City of Rockledge

Community Redevelopment Agency
1600 Huntington Ln, Rockledge, FL 32955
321-221-7540 x 112 / Fax 321-204-6356
cra@cityofrockledge.org



March 24, 2022

CERTIFIED MAIL# 7020 1810 0001 3175 8824

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 2020-2021. The Community Redevelopment Agency Annual Report was filed with the City of Rockledge on March 24, 2022. If you have any questions in regards to this submittal, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Cooper".

John W. Cooper
Planning 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 ✓

RECEIVED

APR - 4 2022

County Manager's
Office



ROCKLEDGE *Florida*
Preserving the past....planning the future

Community Redevelopment Agency 2021 Annual Report

Community Redevelopment Agency
City Hall – 1600 Huntington Lane
Rockledge, FL 32955
Phone: 321-221-7540

Fiscal Year 2020-2021
Published March 24, 2022

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 13 square miles and as of the 2020 Census, approximately 27,678 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. Anchored by Steward Health Care and Rockledge Regional Medical Center, 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



March 24, 2022

CERTIFIED MAIL# 7020 1810 0001 3175 8824

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 2020-2021. The Community Redevelopment Agency Annual Report was filed with the City of Rockledge on March 24, 2022. If you have any questions in regards to this submittal, please feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "John W. Cooper", is written over a light blue horizontal line.

John W. Cooper
Planning 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 2020-2021 fiscal year (September 30, 2021) below is the team who believes in the future vision of the Community Redevelopment Agency and moving it closer to that goal.

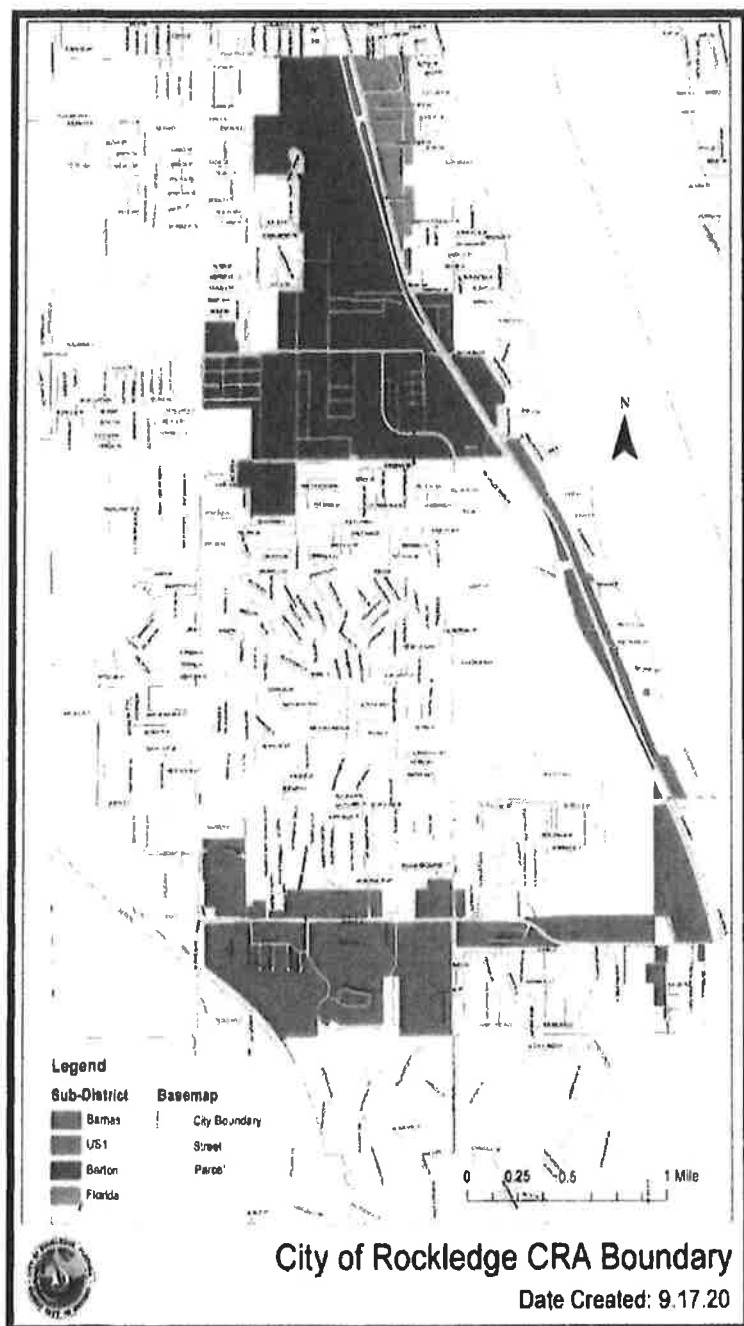
Board of Commissioners	
Edward Inman	Chairman
Janet Monaco	Vice Chair
Frederick Sanders	Commissioner
Steve Lum	Commissioner
David Bucher	Commissioner
Al Siefert	Commissioner
Lynne Roll	Commissioner

City Staff	
Dr. Brenda Fettrow	City Manager (Registered Agent)
Joseph Miniclier	Agency Attorney
Matthew Trine	Finance Director/Asst City Manager
John W. Cooper	Planning Director
Maddie McDonald	Community Redevelopment Coordinator
Jennifer LeVasseur	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:



- Sub-District 1: Florida Avenue
- Sub-District 2: Barton Boulevard
- Sub-District 3: U.S. Highway 1
- Sub-District 4: Barnes Boulevard

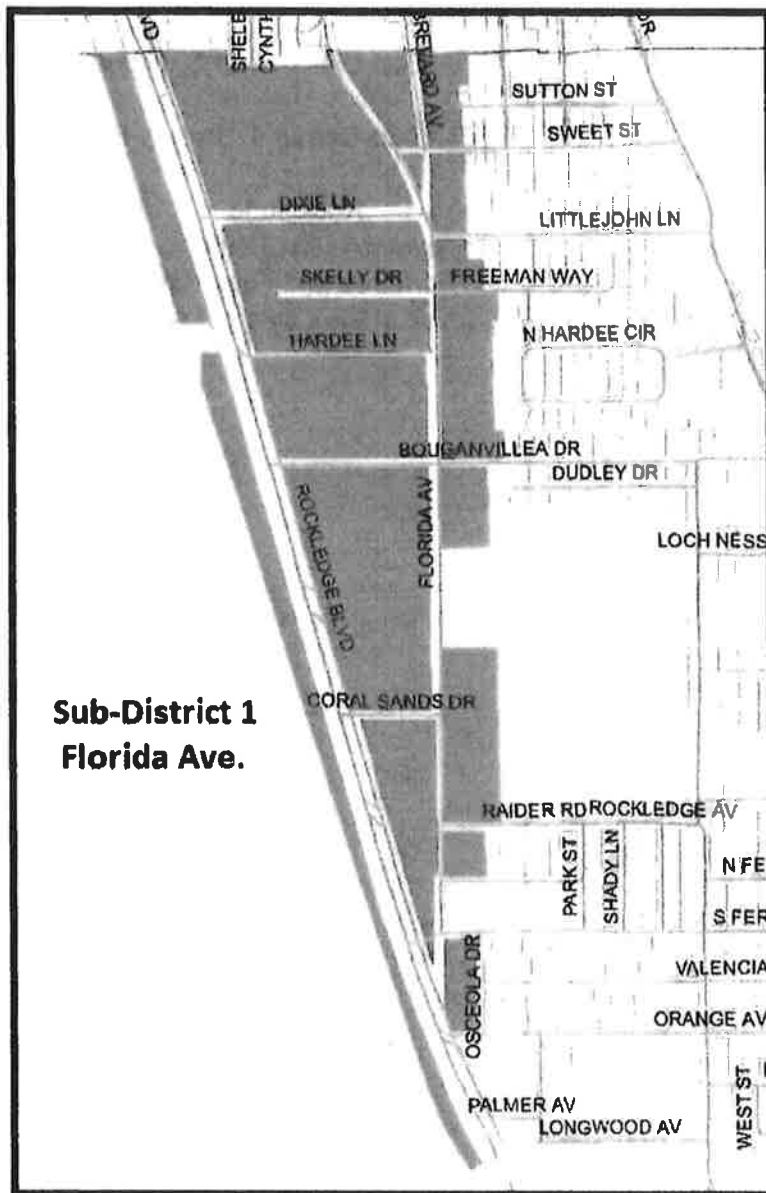
The Rockledge Community Redevelopment District covers about 2,794 acres and does not contain any portion of the City's industrial area.

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.



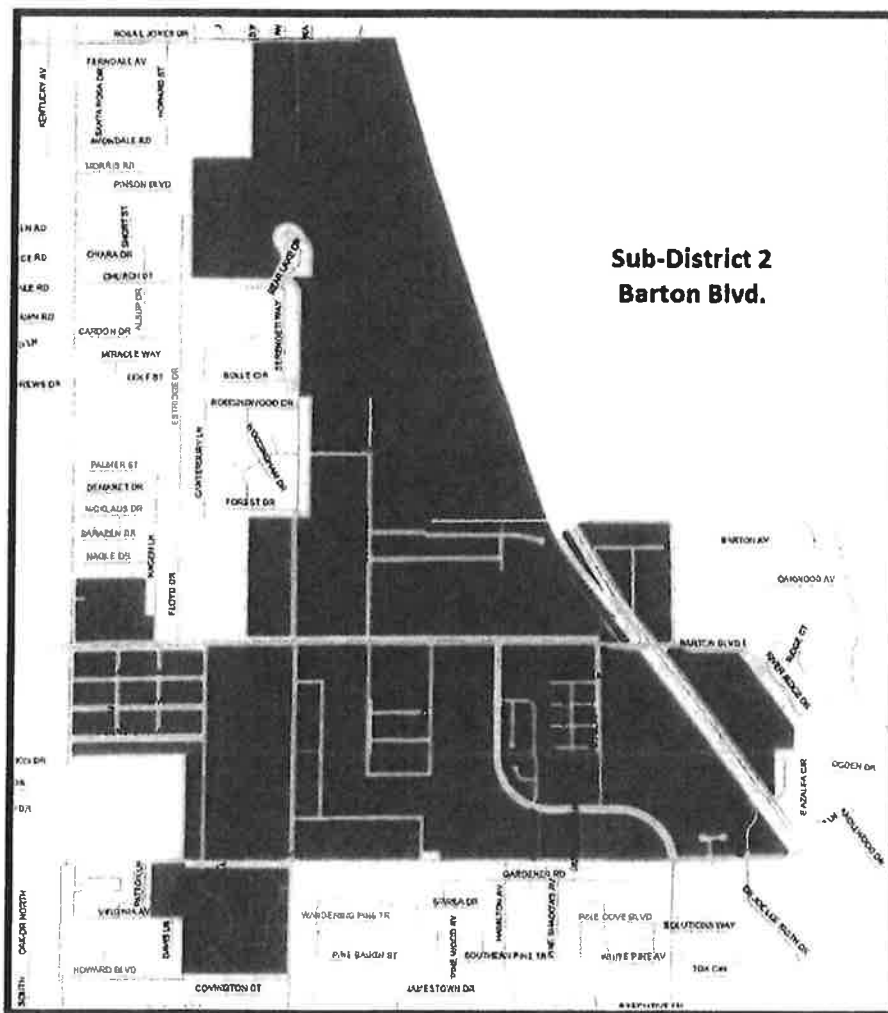
IV. Community Redevelopment Agency Boundary Lines

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.



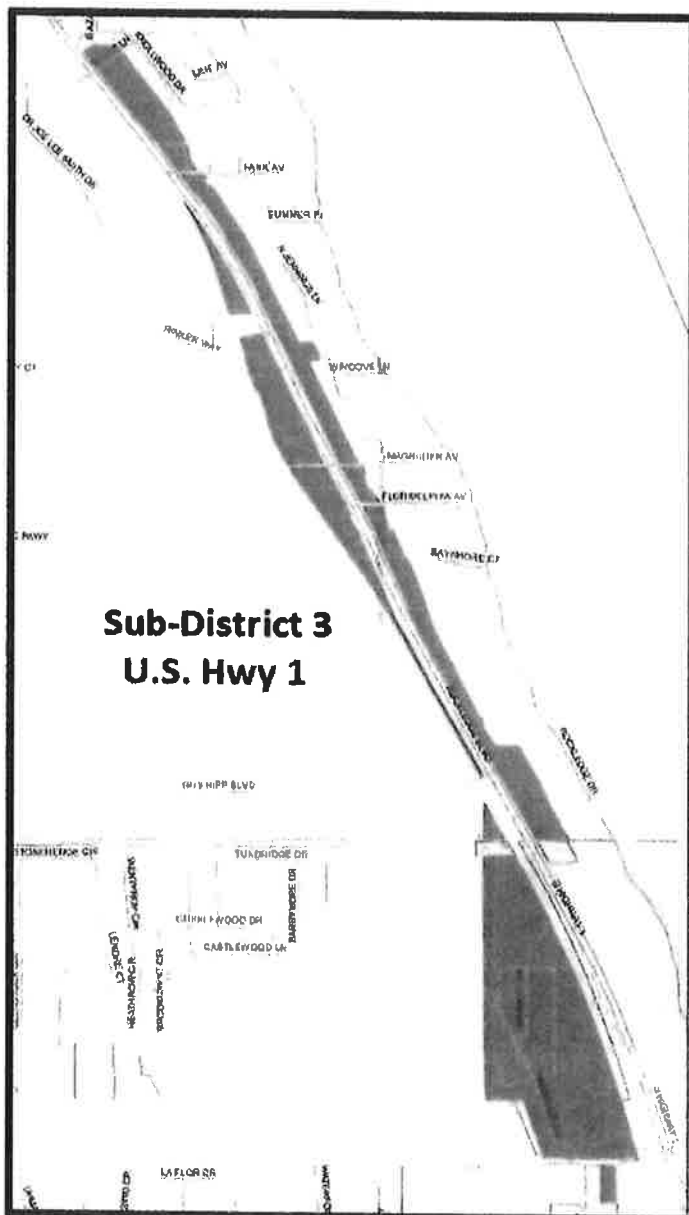
IV. Community Redevelopment Agency Boundary Lines

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.

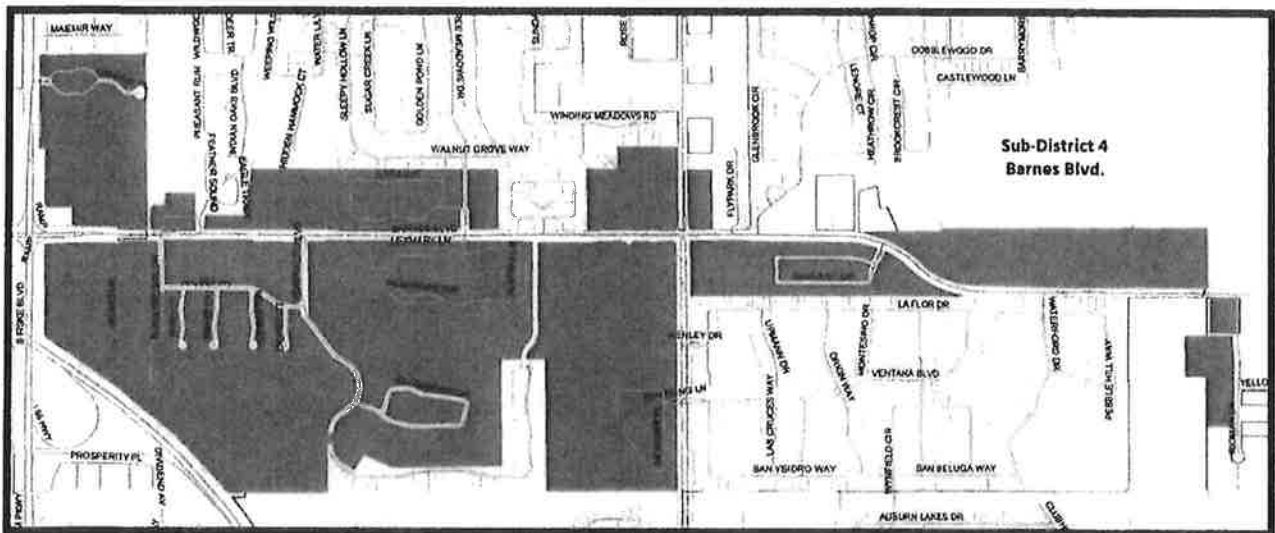
Stylish lighting, picturesque landscaping, aesthetic signage, and new, meandering sidewalk designs were incorporated into the project.

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
- Lake Betsi/Don Griffin Trail resurfacing project - Phase 1 connection of the sidewalk from Rockledge Flats Apartments to a new trail entrance along Angela Avenue
- Acquisition of a mixed-use parcels located to the east side of Huntington Lane, north of City Hall

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 2020-2021	Total	Total costs
Façade Improvement Grants		
Carryover projects from FY 2019-2020	2	\$12,728.92
New Projects started in FY 2020-2021	12	\$92,067.92
Projects completed in FY 2020-2021	9	\$64,989.69
Projects still in progress at end of FY	8	\$76,821.14
Neighborhood Improvements		
Don Griffin Trail – resurface (Completed)	Phase 1	\$87,606.75
Community Art Project		
Traffic Signal Control Box Art Wraps (Started)	6 locations	\$6,600.00
Engineering / Design		
Barton Blvd Road Diet (Started)		\$67,252.50

V. Projects Overview

Community Redevelopment Agency Completed Project Don Griffin Trail Phase I

Widening of the sidewalks that connect Rockledge Flats to Don Griffin Trail and starting the repaving process of the existing trail to make it more accessible to all.

From Rockledge Flats to the new trail entrance off of Angela Avenue



Section of trail to Cogswell Street



Phase 1 Complete

From Rockledge Flats to the new trail entrance off of Angela Avenue



Section of trail to Cogswell Street



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 122 grants and paid out over \$880,000 in grant award money, which represents approximately 3.5 million dollars invested by business owners located throughout the Community Redevelopment Agency. In FY 2021, 12 façade improvement grants were awarded, which includes two projects that carried over from FY 2020 and nine projects that were approved and completed in FY 2021.

Façade Improvement Grants carried over from FY 2019-2020			
Business Name	Address	Grant amount	Cost of Project
RJ Merco	803 Angela Avenue	\$10,000.00	\$23,680.00
DoJack LLC	1285 Rockledge Boulevard	\$2,728.92	\$5,457.83
Façade Improvement Grants Approved/In progress at end of FY 2020-2021			
Business Name	Address	Grant amount	Cost of Project
My Island Pancake House	165 Barton Boulevard	\$10,000.00	\$20,000.00
Rockledge Flats Apartments	256 Barton Boulevard	\$10,000.00	\$26,105.00
Lion Plaza	1129 Rockledge Boulevard	\$7,050.46	\$14,300.92
Rockledge Liquors	555 Barton Boulevard	\$9,770.68	\$17,217.71
Beachfly Brewing Company	513 Barton Boulevard	\$10,000.00	\$24,402.00
JPA Properties, LLC	920 Barton Boulevard	\$10,000.00	\$75,000.00
Thrifty Specialty Produce & Meats	920 Barton Boulevard	\$10,000.00	\$48,020.00
The Health Bar	1854 Rockledge Boulevard	\$2,094.48	\$4,811.95
Façade Improvement Grants Approved/Completed in FY 2020-2021			
Business Name	Address	Grant amount	Cost of Project
Steven's Rentals	1752 Huntington Lane	\$10,000.00	\$87,373.54
Tommy Blair Quality Collision	1750 Huntington Lane	\$10,000.00	\$45,460.00
PayPro's, Inc	1007 Pathfinder Way	\$930.01	\$1,860.01
Pullman West	100 Eyster Boulevard	\$9,742.91	\$19,914.54
Extreme Plastering and Stucco	394 Richard Road	\$10,000.00	\$298,848.00**
Barton Workspace	881 Barton Boulevard	\$3,551.52	\$7,403.04
Boaters Exchange	2145 Rockledge Boulevard	\$10,000.00	\$31,312.30
Beach Brewer LLC	513 Barton Boulevard	\$10,000.00	\$36,207.37
Danowski Enterprise	200 Barton Boulevard	\$765.25	\$1,530.50*

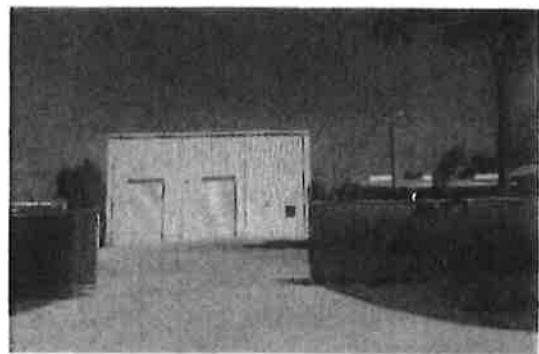
**total cost of project which includes work not included in the façade grant

V. Projects Overview

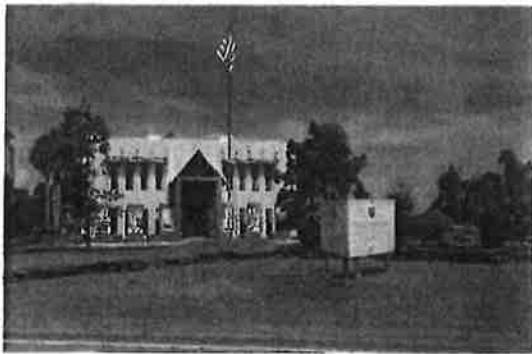
Façade Improvement Grants

In FY 2021, the range of Façade Improvement Grant Projects included but were not limited to new signage, new entranceways, exterior painting, and landscape improvements. The changes made by local business owners and property owners, both large and small, made an impact to the appearance of their business by adding curb appeal to the area.

Extreme Stucco & Plaster, 394 Richard Road: Paved the dirt parking lot, added landscape, screened fencing and a new building for customer traffic



Pullman West, 100 Ester Boulevard: New monument sign to match the existing building design



Barton Workspace, 881 Barton Boulevard: New windows/doors for new business



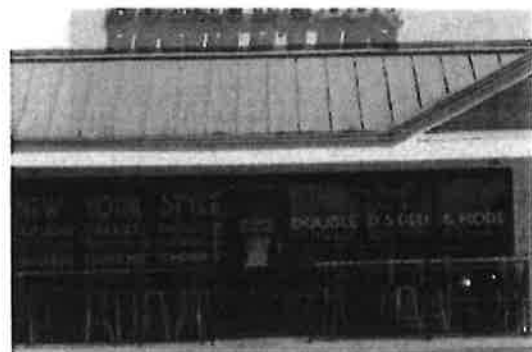
V. Projects Overview

Façade Improvement Grants

Boaters Exchange 2145 Rockledge Boulevard: New monument sign to match the existing building design



Double D's Deli & More, 200 Barton Boulevard: New vinyl decals on windows as they rebrand their restaurant



PayPro's Inc., 1026 Pathfinder Way: New sign face on existing sign along Murrell Road



VI. Financial Reports

A. Balance Sheet (Full Accrual)

FY 2020-2021 Assets:	
Cash	\$1,142,847
Redevelopment Escrow	\$3,054,888
Prepaid Items	<u>\$5,279</u>
Total Assets	\$4,203,014

FY 2020-2021 Liabilities:	
Accounts Payable	\$19,003
Other Current Liabilities	\$2,005
City Loan Debt Service – Long Term	\$0
City Loan Debt Service – Current	<u>\$250,000</u>
Total Liabilities	\$271,008

B. Statement of Revenues, Expenditures & Changes in Fund Balances (Modified Accrual)

FY 2020-2021 Revenues:	
Increment Financing (County)	\$1,036,145
Misc. income	\$2,472
ARPA Grant Fund	\$1,530
Increment Financing (City)	\$1,448,568
Interest	<u>\$5,199</u>
Total Revenue	\$2,493,914

FY 2020-2021 Expenditures:	
Personnel costs	\$58,656
Debt Service	\$258,078
Operating Expenditures	\$16,495
Capital Projects & Grants	\$1,007,730
Legal	<u>\$16,800</u>
Total Expenditures	\$1,357,759

FY 2020-2021 Changes in Fund Balance	
Fund Balance – Beginning of the Year	\$3,045,851
Net Activity FY 2020-2021	<u>\$1,136,155</u>
Fund Balance	\$4,182,006
Less long-term debt	<u>(\$250,000)</u>
Net Position	\$3,932,006

VI. Financial Reports

C. Summary of Projects, Grants and Debt

The Community Redevelopment Agency engages in a variety of different activities to improve the district. The outbreak of COVID-19 and the variants over this past fiscal year has limited the ability to hold public events and fully engage in any large-scale redevelopment projects. Furthermore, despite the COVID-19 outbreak, numerous businesses still took advantage of the façade improvement program with 12 grants awarded during the fiscal year, two which carried over from the previous fiscal year and nine which were started and completed in the 2020-2021 fiscal year. Eight façade improvement grants were approved during the 2020-2021 fiscal year and were still in progress when the fiscal year ended. Each year the debt accrued is lessened, 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		
Carryover or New Projects	Total	Amount
Carryover projects from FY 2019-2020	2	\$12,728.92
New projects in FY 2020-2021	12	\$92,067.92
Completed or Ongoing Projects	Total	Amount
Projects completed in FY 2020-2021	9	\$64,989.69
Projects still ongoing at end of FY 2020-2021	8	\$76,821.14

Community Art Projects FY 2020-2021		
New Project Started	Traffic Signal Control Box Art Wraps	\$6,600.00
Engineering/Design FY 2020-2021		
New Project Started	Barton Boulevard Road Diet	\$67,252.50
Neighborhood Improvements FY 2020-2021		
Project Completed	Phase 1 Don Griffin Trail	\$87,606.75

- 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 2020, Fiscal Year 2021

County	\$397,294,075
City	\$397,294,075

- 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, 2021.*
- 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 2020-2021 and complied with submitting this to the County Manager's office.*

City of Satellite Beach

Community Redevelopment Agency

Annual Report

FY 2020/2021



Pelican Beach Park

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 - a. Total projects started, completed and estimated cost for each project
 - b. Number of jobs created and sector of the economy from which these jobs were created within the CRA
 - c. Number of jobs retained within the CRA
 - d. Assessed property values when CRA was enacted vs. current assessed property values
 - e. Total amount expended for affordable housing
- VIII. ADDITIONAL ANNUAL REPORTING REQUIREMENTS**
 - a. Provide the Board of County Commissioners with 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.

I. COMMUNITY REDEVELOPMENT AGENCY INTRODUCTION

In partnership with Brevard County, the City of Satellite Beach created the CRA in 2002 to address aging conditions and outdated lot and access patterns along the City's commercial corridors. Since then, the CRA has completed the following in the Redevelopment District: beach access, park, and roadway projects; façade grant improvements; community policing initiatives; and land acquisition. The Community Redevelopment Plan was most recently amended September 20, 2017 by Ordinance No. 1142 to complete all remaining CRA projects by FY 2018/2019.

II. BOARD MEMBERS AND STAFF

CRA Members

Steve Osmer, Chairman

Dominick Montanaro, Vice Chair

Mindy Gibson

Jodi Rozycki

David Vigliotti

CRA Staff

Courtney H. Barker, AICP, Executive Director

Clifford Shepard, P.A, General Counsel

Brittany Jumper-Retherford, Support Services Director

Gwendolyn Peirce, City Clerk

III. CRA BOUNDARY LINES (yellow)



Satellite Beach Community Redevelopment District

IV. HISTORY

- a. Creation Date: June 26, 2002 Ordinance No. 836

The Brevard County Commission adopted Resolution 02-136 on May 21, 2002 delegating to the City of Satellite Beach the authority to create and operate a Community Redevelopment Agency (CRA) pursuant to Florida Statute 163.410

- b. Plan Amendments Dates: 9/17/14 Ord 1097, 2/17/16 Ord 1115, 9/20/17 Ord 1142

- c. Applicable Resolution(s) and Ordinances

1. Brevard County Resolution 02-137 – Conveying Authority
2. SB Resolution 755 – Recognizing Blight Condition Area
3. SB Ord. No. 836 – Sat Bch CRA established
4. SB Ord. No. 837 – Creating CRA Trust Fund, TIF revenue provisions
5. SB Ord. No. 849 – Creating CRA Advisory Board

V. PROJECTS OVERVIEW FY 2020/2021

The following projects were undertaken in FY 2016/2017, and were completed in FY 2020/2021.

- **Civic Center Renovations:** The Civic Center is a meeting place for numerous local community-based groups and functions to include the 55+ Club, renovations will include ADA accessible bathrooms and interior finishes to update the 1960 area meeting spaces. Preliminary engineering and concepts began in FY 2016/2017 with substantial completion of phase 1 in FY2017/2018. Phase II bid was awarded in FY 2019/2020 and was completed by the end of FY 2020/2021.

VI. FINANCIAL REPORTS:

Financial Statements and Balance Sheet (unaudited)

FY 2020/2021 CRA Financial Statement			
City of Satellite Beach Community Redevelopment Agency			
Balance Sheet			
Assets	Cash and Equivalents	\$	563,779
	Investments	\$	119,583
	Prepaid Expenses	\$	-
	Total Assets	\$	683,362
Liabilities	Accounts Payable	\$	2,038
	Due to Other Funds	\$	-
	Due to Other Governments	\$	679,920
	Total Liabilities	\$	681,958
Reserves/Balances	Fund Balance - Reserves	\$	-
	Change in Fund Balance	\$	1,404
	Total Reserves/Balance	\$	1,404
	Total Liabilities & Reserves	\$	683,363

[continued on next page]

Income Statement			
	Original Budget	Final Budget	Actual
Revenues			
Taxes (County Portion)	\$ 841,822	\$ 841,822	\$ 841,822
Interest	\$ 6,000	\$ 1,079	\$ 1,079
Other Miscellaneous Revenues			
Designated Fund Balance	\$ -	\$ -	\$ -
Transfer From General Fund (TIF)	\$ 2,002,879	\$ 2,002,879	\$ 2,002,879
Total Revenues	\$ 2,850,701	\$ 2,845,780	\$ 2,845,780
Expenditures			
Operating Expenses:			
Banking Fees	\$ -	\$ 40	\$ 39
Operating Expenses	\$ -	\$ 3,350	\$ 3,100
Tuition, Membership, & Publication	\$ -	\$ 200	\$ 175
Total:	\$ -	\$ 3,590	\$ 3,314
Non-Operating Expenses:			
Brevard Co. Excess TIF Refund	\$ 711,351	\$ 679,920	\$ 679,920
Transfer to General Fund - Excess	\$ 1,659,818	\$ 1,513,371	\$ 1,513,371
Total:	\$ 2,371,169	\$ 2,193,291	\$ 2,193,291
Debt Services:			
CRA Line of Credit - Principal	\$ 355,600	\$ 370,700	\$ 370,700
CRA Line of Credit - Interest	\$ 123,932	\$ 98,199	\$ 98,199
Total:	\$ 479,532	\$ 468,899	\$ 468,899
Capital Outlay:			
Masters A1A Streetscape	\$ -	\$ -	\$ -
Civic Center Renovations	\$ -	\$ 180,000	\$ 178,873
Total:	\$ -	\$ 180,000	\$ 178,873
Total Expenditures:	\$ 2,850,701	\$ 2,845,780	\$ 2,844,376
Net Effect for Fund Type Special Revenue	\$ -	\$ -	\$ 1,403

VI. FINANCIAL REPORTS CON'T

c. Summary of Projects, Grants and Debt

Summary of Projects

Civic Center Renovations

Grants

None

Debt

CRA Line of Credit with Bank of America

VII. PERFORMANCE INFORMATION

- a. Total projects started, completed and estimate cost for each project
 - The Civic Center Project Phase 1 was started in Fiscal Year 2017 and was 95% completed in Fiscal Year 2018 with one payment made in Fiscal Year 2019 to complete Phase 1. Phase 1 was completed; Phase 2 began in Fiscal Year 2020, the majority of the work has been completed, and was 100% completed by June 30, 2021.
- b. Number of jobs created and sector of the economy from which these jobs were created within the CRA
 - No created jobs were reported to the CRA.
- c. Number of jobs retained within the CRA
 - No retained jobs were reported to the CRA.
- d. Assessed property values when CRA was enacted vs. current assessed property values
 - Based on the Certified Tax Taxable Value DR-420TIF, the base year taxable value for 2001 was \$124,686,190. The taxable value for 2020 was \$364,640,716.
- e. Total amount expended for affordable housing
 - No funds were expended for affordable housing.



Satellite Beach
Community Redevelopment Agency
FINANCIAL STATEMENTS
For the Fiscal Year
Ended September 30, 2021

Satellite Beach Community Redevelopment Agency
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Year Ended September 30, 2021

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**Satellite Beach Community Redevelopment Agency
Agency Officials
Year Ended September 30, 2021**

CRA Members

Steven L. Osmer, Chairman
Dominick Montanaro, Vice Chair
Mindy Gibson
Jodi Rozycki
David Vigliotto

CRA Staff

Courtney H. Barker, AICP, Executive Director
Clifford Shepard, P.A., General Counsel
Brittany Jumper, Support Services Director
Gwendolyn Peirce, City Clerk (Secretary)



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INDEPENDENT AUDITORS' REPORT

To the Honorable Chairman and Board Members
Satellite Beach Community Redevelopment Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Satellite Beach Community Redevelopment Agency (the "Agency"), a component unit of the City of Satellite Beach, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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 Satellite Beach Community Redevelopment Agency as of September 30, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 – 12, and the budgetary comparison information on pages 39 – 40 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 March 1, 2022 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.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 1, 2022

Satellite Beach Community Redevelopment Agency Management's Discussion and Analysis

As management of the Satellite Beach Community Redevelopment Agency (the "Agency"), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Satellite Beach Community Redevelopment Agency for the fiscal year ended September 30, 2021.

Financial Highlights

- The assets and deferred inflows of resources of the Satellite Beach Community Redevelopment Agency exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$4,930,195 (net position). Of this amount, (\$16,811) represents the unrestricted net deficit due to recording accrued interest for the Community Redevelopment Agency Variable Rate Tax Increment Revenue Note on September 30, 2021.
- The Satellite Beach Community Redevelopment Agency's total net position increased \$430,148 over the course of this year's operations.
- The Satellite Beach Community Redevelopment Agency's operating fund reported an ending fund balance of \$1,404, an addition of \$1,404 from the prior year.

Overview of the Financial Statements

The financial section of this annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Satellite Beach Community Redevelopment Agency's finances, in a manner similar to a private-sector business. All the Satellite Beach Community Redevelopment Agency's activities are reported as governmental activities in the government-wide financial statements.

The statement of net position presents information on all of the Satellite Beach Community Redevelopment Agency's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the 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 Satellite Beach Community Redevelopment Agency is improving or deteriorating.

The statement of activities presents information showing how the Satellite Beach Community Redevelopment 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.

The government-wide financial statements can be found on pages 15-16 of this report.

Satellite Beach Community Redevelopment Agency Management's Discussion and Analysis

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 Satellite Beach Community Redevelopment Agency, like other state and local governments, 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 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 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 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 Satellite Beach Community Redevelopment Agency has only one governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Satellite Beach Community Redevelopment Agency.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables but do not include capital assets such as land and buildings. The operating statement for governmental funds reports only those revenues that were collected during the current period or very shortly after the end of the year. Expenditures are generally recorded when incurred.

The basic governmental fund financial statements can be found on pages 17-20 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 21-35 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) which is a comparison between the Satellite Beach Community Redevelopment Agency's adopted and final budget and actual financial results for its general fund. The Satellite Beach Community Redevelopment Agency adopts an annual budget for its general fund, and a budgetary comparison schedule has been provided to demonstrate compliance with this budget.

Satellite Beach Community Redevelopment Agency Management's Discussion and Analysis

Required supplementary information can be found on pages 39-40 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of an Agency's financial position. In the case of the Satellite Beach Community Redevelopment Agency's assets exceeded liabilities by \$4,930,195 at the close of the most recent fiscal year.

The following table reflects the condensed statement of net position:

Satellite Beach Community Redevelopment Agency's Net Position

	2021	2020
Current and other assets	\$ 857,732	\$ 2,075,762
Capital assets	6,936,206	6,876,584
Total assets	<u>7,793,938</u>	<u>8,952,346</u>
Deferred outflows of resources	-	-
Long-term liabilities outstanding	1,989,200	2,359,900
Other liabilities	700,173	1,823,355
Total liabilities	<u>2,689,373</u>	<u>4,183,255</u>
Deferred inflows of resources	<u>174,370</u>	<u>269,064</u>
Net Position:		
Net investment in		
capital assets	4,947,006	4,516,684
Restricted	-	-
Unrestricted (deficit)	<u>(16,811)</u>	<u>(16,637)</u>
Total net position	<u>\$ 4,930,195</u>	<u>\$ 4,500,047</u>

By far the largest portion of the Satellite Beach Community Redevelopment Agency's net position reflects its investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure); less any related debt used to acquire those assets still outstanding.

The Satellite Beach Community Redevelopment Agency uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Satellite Beach Community Redevelopment Agency reports net investment in capital assets, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

At the end of the current fiscal year, the Satellite Beach Community Redevelopment Agency is only able to report a positive balance in its net investment in capital assets. The Satellite Beach Community Redevelopment Agency reported an unrestricted net deficit of (\$16,811) primarily due to recording accrued interest for the Community Redevelopment Agency Variable Rate Tax Increment Revenue Note.

Satellite Beach Community Redevelopment Agency Management's Discussion and Analysis

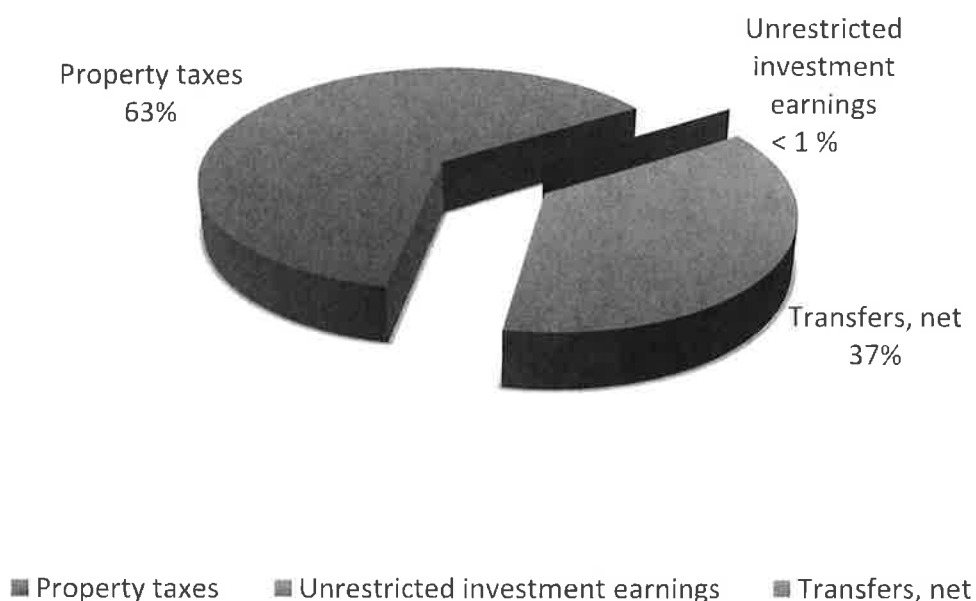
The following table shows condensed revenue and expense data:

Satellite Beach Community Redevelopment Agency's Changes in Net Position

	2021	2020
General revenues:		
Property taxes	\$ 841,822	\$ 631,917
Unrestricted investment earnings	1,079	7,412
Transfers, net	489,508	263,080
Total revenues	<u>1,332,409</u>	<u>902,409</u>
Program expenses:		
General government	683,233	547,080
Community development	119,251	108,011
Interest and related costs on long-term debt	99,777	116,872
Total expenses	<u>902,261</u>	<u>771,963</u>
Change in net position	430,148	130,446
Net position- beginning	4,500,047	4,369,601
Net position- ending	<u>\$ 4,930,195</u>	<u>\$ 4,500,047</u>

The Satellite Beach Community Redevelopment Agency's net position increased by \$430,148 during the current fiscal year.

Statement of Activities – Government-wide Revenues by Source



Satellite Beach Community Redevelopment Agency Management's Discussion and Analysis

Financial Analysis of the Satellite Beach Community Redevelopment Agency

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

Governmental funds. The focus of the Satellite Beach Community Redevelopment 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 Satellite Beach Community Redevelopment Agency's financing requirements. In particular, fund balance may serve as a useful measure of an Agency's net resources available at the end of the fiscal year.

At the end of the current fiscal year, the Satellite Beach Community Redevelopment Agency's governmental fund reported ending fund balance of \$1,404, an increase of \$1,404. Pursuant to Florida State Statute 163.387 section (7), on the last date of the fiscal year of the community redevelopment agency, any money which remains in the trust fund after the payment of expenses pursuant to subsection (6) for such year must be returned to the taxing authorities. In the case of the Satellite Beach Community Redevelopment Agency, that is the City of Satellite Beach, Florida and Brevard County, Florida.

Capital Asset and Debt Administration

Capital assets. The Satellite Beach Community Redevelopment Agency's investment in capital assets as of September 30, 2021, amounts to \$6,936,206 (net of accumulated depreciation). This investment in capital assets includes land, improvements, equipment, infrastructure, and construction in progress.

Satellite Beach Community Redevelopment Agency's Capital Assets (net of depreciation)

	2021	2020
Land	\$ 2,279,018	\$ 2,279,018
Buildings	904,036	-
Improvements other than buildings	894,290	920,997
Equipment	1,470	22,877
Infrastructure	2,187,754	2,258,891
Construction in progress	669,638	1,394,801
Total	<u>\$ 6,936,206</u>	<u>\$ 6,876,584</u>

Additional information on the Satellite Beach Community Redevelopment Agency's capital assets can be found in Note 2 on page 31 of this report.

Notes payable. At the end of the current fiscal year, the Satellite Beach Community Redevelopment Agency had notes payable outstanding of \$1,989,200.

The Satellite Beach Community Redevelopment Agency's notes payable balances decreased by \$370,700 during the current fiscal year.

Satellite Beach Community Redevelopment Agency Management's Discussion and Analysis

Additional information on the City of Satellite Beach Community Redevelopment Agency's long-term debt can be found in Note 2 on pages 32-34 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Satellite Beach Community Redevelopment Agency's finances for all those with an interest in the Satellite Beach Community Redevelopment Agency's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Support Services Department, City of Satellite Beach, 565 Cassia Blvd., Satellite Beach, Florida, 32937.

BASIC FINANCIAL STATEMENTS



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Satellite Beach Community Redevelopment Agency
Statement of Net Position - Government-wide

<i>September 30, 2021</i>	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 563,779
Investments	119,583
Derivative instrument - interest rate swap	174,370
Capital assets not being depreciated	
Land	2,279,018
Construction in progress	669,638
Capital assets, net of accumulated depreciation	
Buildings	904,036
Improvements other than buildings	894,290
Equipment	1,470
Infrastructure	2,187,754
Total assets	7,793,938
LIABILITIES	
Accounts payable	2,038
Due to other governments	679,920
Accrued interest payable	18,215
Noncurrent liabilities:	
Due within one year	386,800
Due in more than one year	1,602,400
Total liabilities	2,689,373
DEFERRED INFLOWS OF RESOURCES	
Accumulated increase in fair value of derivative instrument - interest rate swap	174,370
Total deferred inflows of resources	174,370
NET POSITION	
Net investment in capital assets	4,947,006
Restricted for:	
Community services	-
Unrestricted (deficit)	(16,811)
Total net position	\$ 4,930,195

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

Satellite Beach Community Redevelopment Agency
Statement of Activities - Government-wide

For the year ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 683,233	\$ -	\$ -	\$ -	\$ (683,233)
Community development	119,251	-	-	-	(119,251)
Interest and related costs on long-term debt	99,777	-	-	-	(99,777)
Total governmental activities	\$ 902,261	\$ -	\$ -	\$ -	(902,261)

General revenues:

Property taxes	841,822
Unrestricted investment earnings	1,079
Transfers, net	489,508
Total general revenues	1,332,409
Change in net position	430,148
Net position, beginning of year	4,500,047
Net position, end of year	\$ 4,930,195

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

Satellite Beach Community Redevelopment Agency
Balance Sheet – Governmental Fund

		Community Redevelopment Agency
<i>September 30, 2021</i>		
ASSETS		
Cash and cash equivalents	\$	563,779
Investments		119,583
Total assets	\$	683,362
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$	2,038
Due to other governments		679,920
Total liabilities		681,958
Fund balance:		
Restricted		1,404
Total fund balance		1,404
Total liabilities and fund balance	\$	683,362

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

**Satellite Beach Community Redevelopment Agency
Reconciliation of the Balance Sheet of the Governmental Fund
to the Statement of Net Position**

As of September 30, 2021

Total fund balance for the governmental fund	\$ 1,404
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	6,936,206
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund.	(1,989,200)
Interest on long-term debt is not accrued in governmental fund but rather is recognized as an expenditure when due.	(18,215)
Net position of governmental activities	\$ 4,930,195

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

Satellite Beach Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance –
Governmental Fund

For the year ended September 30, 2021

	Community Redevelopment Agency
Revenues	
Taxes	\$ 841,822
Investment and other income	1,079
Total revenues	842,901
Expenditures	
Current:	
General government	683,233
Capital outlay	178,873
Debt service:	
Principal retired	370,700
Interest and other	98,199
Total expenditures	1,331,005
Deficiency of revenues under expenditures	(488,104)
Other financing sources (uses)	
Transfers in	2,002,879
Transfers out	(1,513,371)
Net other financing sources (uses)	489,508
Net change in fund balance	1,404
Fund balance, beginning of year	-
Fund balance, end of year	\$ 1,404

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

Satellite Beach 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, 2021

Net change in fund balance - total governmental fund	\$	1,404
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Amounts reported for governmental activities in the statement of activities
are 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 as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.		72,402
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In the statement of activities, the gain or loss on the disposal of capital assets is reported, whereas in the governmental funds, disposals are not reported. Thus, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets.		(12,780)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items, such as accrued interest.		369,122
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Change in net position of governmental activities	\$	430,148
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The accompanying notes are an integral part of this financial statement.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Satellite Beach Community Redevelopment Agency (the "Agency"), a component unit of the City of Satellite Beach, 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 Satellite Beach, Florida City Council ("City Council") via Ordinance No. 755 in June 2002. The Agency is a legal entity, separate, distinct, and independent of the City. The Agency is governed by a board comprised of five commissioners who also serve as members of the City Council. The Agency does not exercise control over other governmental agencies or authorities.

Revenue sources for the Agency consist primarily of property taxes. 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 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 Satellite Beach, Florida. Complete financial statements for the City of Satellite Beach, Florida may be obtained at the City's administrative offices located at:

565 Cassia Blvd
Satellite Beach, Florida 32937

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.

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.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The Agency reports the following major governmental fund:

The *Community Redevelopment Agency Fund* is the Agency's operating fund. It accounts for all financial resources of the Agency.

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 Equity

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

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) and the Florida Special Purpose Investment Pool (SPIA). Florida PRIME and SPIA 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.

Receivables and payables

All trade and property tax receivables are considered to be fully collectible.

Capital Assets

Capital assets, which include property, improvements, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost of \$2,000 or more and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Satellite Beach 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 Equity (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, improvements, and equipment are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Building improvements	12-20
Infrastructure	60
Equipment	3-18

Deferred inflows of resources and derivative instrument

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, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has one item which qualifies for reporting as deferred inflows of resources.

The Agency has engaged in an effective interest rate swap agreement and has recorded the swap agreement at fair value in accordance with Section 150: *Investments* of the GASB Codification.

Interfund Transactions

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 at cost, charged the appropriate benefitting fund, and reduces its related costs as reimbursements. All other interfund transactions are treated as transfers.

Long-Term Obligations

In the government-wide financial statements in the fund 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 deferred and amortized over the life of the bonds and are recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond premium or discount. In accordance with GASB Codification Section 130: *Interest Costs – Imputation*, bond issuance costs are expensed in the period incurred except for prepaid insurance costs.

Satellite Beach 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 Equity (Continued)

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

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.

Satellite Beach 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 Equity (Continued)

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.

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. The Agency has no program revenues in the fiscal year ended September 30, 2021.

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.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 1, 2022, and determined there were no events that occurred that required disclosure.

Recently Issued and Implemented Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 92, *Omnibus 2020*, enhances comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirement of this Statement are effective for reporting periods beginning after June 15, 2021.

In May 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in Statement 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

The Agency is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

Deposits

The Agency pools its deposits with the Primary Government. At September 30, 2021, the Agency's carrying amount of deposits was \$563,779. \$250,000 of the Agency's deposits is covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in excess of FDIC 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.

Investments

The Agency has not adopted an investment policy and the Agency's investment policies are governed by state statutes. The Agency pools its investments with the Primary Government. 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.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

At the close of the fiscal year, the Agency held a portion of its investments in the Local Government Surplus Funds Trust Fund ("Florida PRIME") external investment pool. The Florida PRIME is administered by the Florida State Board of Administration (SBA), who provides regulatory oversight.

During the year ended September 30, 2021, the Agency also participated in a Special Purpose Investment Account (SPIA) of the Florida Treasury Investment Pool. The SPIA is authorized by Section 17.61(1), Florida Statutes and is administered by the Florida State Treasury.

Florida PRIME and SPIA currently meet all of the necessary criteria set forth in GASB Codification Section In5: *Investment Pools (External)* to measure its investments at amortized cost; therefore, the Agency's account balance in the Florida PRIME and SPIA are reported at amortized cost.

Under GASB Codification Section I50: *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 the notes to the financial statements.

As of September 30, 2021, 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 Florida PRIME external investment pool. For the Agency's investment in the SPIA, the investment is not currently subject to redemption notice period, and the investment is able to be redeemed immediately.

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 Agency's investment policy does not address interest rate risk.

Credit risk – GASB Codification Section I50: *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 Agency's investments are not exposed to foreign currency risk. The Agency's investment policy does not address foreign currency risk.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Concentration of credit risk – GASB Codification Section 150: *Investments* 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.

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 Agency 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, 2021, the Agency had the following investments:

Investment type	Fair Value	Weighted Average to Maturity (WAM)	Effective Duration	Rating	Agency
SBA (Florida PRIME)	\$ 87,729	50 days	-	AAAm	S&P
SPIA	31,854	-	2.65 years	A+f	S&P
Total	\$ 119,583				

Satellite Beach Community Redevelopment Agency
Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Interest Rate Swap

The Agency's investment in the interest rate swap derivative investment of \$174,370 is valued using a market approach that considers benchmark interest rates (Level 2 inputs).

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Agency believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Capital Assets

Capital asset activity for the year ended September 30, 2021 was as follows:

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,279,018	\$ -	\$ -	\$ 2,279,018
Construction in progress	1,394,801	178,873	(904,036)	669,638
Total capital assets, not being depreciated	3,673,819	178,873	(904,036)	2,948,656
Capital assets, being depreciated:				
Buildings	-	904,036	-	904,036
Improvements other than buildings	1,172,015	-	-	1,172,015
Equipment	86,055	-	(18,478)	67,577
Infrastructure	2,782,076	-	-	2,782,076
Total capital assets being depreciated	4,040,146	904,036	(18,478)	4,925,704
Less accumulated depreciation for:				
Buildings	-	-	-	-
Improvements other than buildings	(251,018)	(26,707)	-	(277,725)
Equipment	(63,178)	(8,627)	5,698	(66,107)
Infrastructure	(523,185)	(71,137)	-	(594,322)
Total accumulated depreciation	(837,381)	(106,471)	5,698	(938,154)
Total capital assets being depreciated, net	3,202,765	797,565	(12,780)	3,987,550
Governmental activities capital assets, net	\$ 6,876,584	\$ 976,438	\$ (916,816)	\$ 6,936,206

Depreciation expense of \$106,471 was charged to the Community Development function.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Intergovernmental Receivables, Payables, and Transfers

Transfers for the year ended September 30, 2021:

	Transfers in:			
	Primary Government	Community Redevelopment Agency		Total
Transfers out:				
Primary Government	\$ -	\$ 2,002,879	\$	2,002,879
Community Redevelopment Agency	(1,513,371)	-		(1,513,371)
Total	\$ (1,513,371)	\$ 2,002,879	\$	489,508

Transfers are used to (1) move revenues from the fund that is required (per statute or budget) to collect them to the fund that is required (per statute or budget) to expend them and (2) return excess revenues not expended during the year back to the general fund at year-end in accordance with state statutes.

Long-Term Debt and Liabilities

Notes payable

Community Redevelopment Agency Variable Rate Tax Increment Revenue Note: On May 4, 2006, the Community Redevelopment Agency entered into a loan agreement with a bank in an amount not to exceed \$8,000,000 to purchase real property and various capital improvements. The initial amount drawn on the note was \$6,250,000. Quarterly payments ranging from \$114,291 to \$117,988, including principal and interest, are due through the maturity date of May 1, 2026.

The note is secured by revenues of the Community Redevelopment Agency fund. Principal and interest paid for the current fiscal year was \$468,899. As of September 30, 2021, principal and interest to maturity in 2026 to be paid from pledged future revenues totaled \$2,173,145. At September 30, 2021, accrued interest for the Community Redevelopment Agency Variable Rate Tax Increment Revenue Note is \$18,215.

As a means of lowering its borrowing costs, when compared against fixed rate borrowings at the time of issuance in May 2006, the Agency entered into an interest rate swap agreement with the bank issuing it a \$6,250,000 variable rate note. The intention of the swap was to effectively change the Agency's variable rate note to a synthetic fixed rate of 4.23%. Under the swap agreement, the Agency pays the counterparty interest calculated at a fixed rate of 4.23%. In return, the counterparty owes the Agency interest based on 63.7% of the London Interbank Offering Rate (LIBOR) plus a spread of 0.50%. Only the net difference in the interest payments is actually exchanged with the counterparty. The \$6,250,000 in note principal is not exchanged; it is only the basis on which the interest payments are calculated. The swap agreement has a term of 20 years and a notional amount of \$1,989,200 as of September 30, 2021.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities (Continued)

The associated variable-rate note has a \$1,989,200 principal amount as of the same date and has a like term. There are no embedded options on the swap agreements and no cash was paid or received when the swap agreements were entered into.

The debt service requirements of the variable-rate debt and net swap payments are shown below assuming current interest rates remain the same. The current variable rate on the \$6,250,000 note is 0.56% as of September 30, 2021. Therefore, the interest rate related to the \$6,250,000 swap is 3.67% as of the same date, calculated as the difference between the synthetic fixed rate of 4.23% and the 0.56% variable rate.

The interest rate swap agreement has a negative fair value of \$174,370 as of September 30, 2021. The negative fair value of the swap may be countered by reductions in total interest payments required under the variable-rate note payable, creating lower synthetic rates. Because the payments on the Agency's variable-rate notes payable adjust to changing interest rates, the note payable does not have corresponding fair value increases. The fair value of the swap was obtained from the counterparty and is based on the quoted market price using the mark-to-market method. The change in fair value for the year ended September 30, 2021 is a negative of approximately \$94,694.

As of September 30, 2021, the Agency was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the Agency would be exposed to credit risk in the amount of the derivatives' fair value. As of September 30, 2021, the swap's counterparty was rated AA- by Fitch. The calculation of variable interest payments is an estimate. It is calculated based upon the total interest to be paid less the calculated amount of swap interest to be paid.

The derivative (interest rate swap) contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Agency or the counterparty may terminate the swap if the other party fails to perform under the terms of the contracts. If the swap was terminated, the variable-rate notes and bonds would no longer carry synthetic interest rates. Also, if at the time of termination a swap has a negative fair value, the Agency would be liable to the counterparty for a payment equal to the swap's fair value as of that date. As of September 30, 2021, the Agency has no intention of terminating its swap agreement.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities (Continued)

Pledged revenues and principal and interest payments are as follows:

Pledged Revenue	Amount of issue	Future Principal and Interest	Current Pledged Revenue	Current Principal & Interest	Current Percentage of Revenue
Community Redevelopment Agency Variable Rate Tax Increment Revenue Note	\$ 6,250,000	\$ 2,173,145	\$ 2,844,701	\$ 464,876	16%

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

September 30,	Principal	Interest	Interest (swap)	Total
2022	\$ 386,800	\$ 66,990	\$ 11,086	\$ 464,876
2023	403,300	52,522	8,931	464,753
2024	420,700	37,438	6,683	464,821
2025	438,800	21,703	4,338	464,841
2026	339,600	5,292	1,893	346,785
Totals	\$ 1,989,200	\$ 183,945	\$ 32,931	\$ 2,206,076

Long-term liability activity for the year ended September 30, 2021, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes from direct borrowings:					
Note payable – CRA	\$ 2,359,900	\$ -	\$ (370,700)	\$ 1,989,200	\$ 386,800
Total notes from direct borrowings	2,359,900	-	(370,700)	1,989,200	386,800
Total long-term liabilities	\$ 2,359,900	\$ -	\$ (370,700)	\$ 1,989,200	\$ 386,800

The note payable – CRA is liquidated by tax revenues received by the Community Redevelopment Agency fund.

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 \$1,404 in fund balance at September 30, 2021.

Satellite Beach Community Redevelopment Agency

Notes to Financial Statements

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; and natural disasters for which the primary government carries insurance through Preferred Government Insurance Trust (PGIT). Coverage provided by PGIT includes general liability, auto liability, property and workers' compensation.

Litigation

Various 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 action 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.

Note 4: UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of the novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the ongoing operating activities and the future results of the Agency. The occurrence and extent of such an impact will depend on future developments, including (i) the and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain as of March 1, 2022.



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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**



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Satellite Beach Community Redevelopment Agency
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Community Redevelopment Agency Fund

<i>For the year ended September 30, 2021</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 841,822	\$ 841,822	\$ 841,822	\$ -
Investment and other income	6,000	1,079	1,079	-
Total revenues	847,822	842,901	842,901	-
Expenditures				
Department:				
General government	711,351	683,510	683,233	277
Capital outlay	-	180,000	178,873	1,127
Debt service:				
Principal retired	355,600	370,700	370,700	-
Interest	123,932	98,199	98,199	-
Total expenditures	1,190,883	1,332,409	1,331,005	1,404
Deficiency of revenues under expenditures	(343,061)	(489,508)	(488,104)	1,404
Other financing sources				
Transfers in	2,002,879	2,002,879	2,002,879	-
Transfers out	(1,659,818)	(1,513,371)	(1,513,371)	-
Net other financing sources	343,061	489,508	489,508	-
Net change in fund balances	-	-	1,404	1,404
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 1,404	\$ 1,404

Satellite Beach Community Redevelopment Agency Budgetary Notes to Required Supplementary Information

Note 1. BUDGETARY INFORMATION

An annual budget is adopted by the Agency's Board on a basis consistent with U.S. generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

The Agency's Executive Director or their designee may make transfers of appropriations within a department as long as the total budget of the department is not increased. Transfers of appropriations between departments require the approval of the Agency's Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The Agency's Board made several supplemental budgetary appropriations during the year.

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.

**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***

Honorable Chairman and Board Members
Satellite Beach 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 Satellite Beach Community Redevelopment Agency, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Satellite Beach Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 1, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Satellite Beach 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 Satellite Beach Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Satellite Beach 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 have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Satellite Beach 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 1, 2022

INDEPENDENT AUDITORS' MANAGEMENT LETTER

The Honorable Chairman and Board Members
Satellite Beach Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Satellite Beach Community Redevelopment Agency (the "Agency") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 1, 2022.

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 Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' 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 March 1, 2022, 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 and 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 Satellite Beach Community Redevelopment Agency is disclosed in the footnotes. The Satellite Beach 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 us to apply appropriate procedures and communicate the results of our determination as to whether or not the Satellite Beach 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 Satellite Beach 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 Satellite Beach Community Redevelopment Agency. It is management's responsibility to monitor the Satellite Beach Community Redevelopment 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)6-8, Rules of the Auditor General, the Satellite Beach Community Redevelopment Agency reported the information 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)6, Rules of the Auditor General, the Satellite Beach 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 | 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 on or after October 1 of the following fiscal year being reported, together with the total expenditures for such projects as | 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 | See Page 39 |

Agency amends a final adopted budget under Section 189.016(6), Florida Statutes.

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

- a. The millage rate or rates imposed by the Agency. **8.6312**
- b. The total amount of ad valorem taxes collected by or on behalf of the Agency. **\$ 2,844,701**
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as **None**

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General: The Satellite Beach Community Redevelopment Agency has not imposed any special assessments and therefore no reporting is required by Section 218.39(3), 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 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 Agency's Board 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 1, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

The Honorable Chairman and Board Members
Satellite Beach Community Redevelopment Agency

We have examined the Satellite Beach 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, 2021. 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 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.

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*, for the year ended September 30, 2021.

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.

Melbourne, Florida
March 1, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REDEVELOPMENT TRUST FUND

The Honorable Chairman and Board Members
Satellite Beach Community Redevelopment Agency

We have examined the Satellite Beach Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 136.387(6) and (7), Florida Statutes, Redevelopment Trust Fund Policies, during the year ended September 30, 2021. 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 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.

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

Our examination disclosed the following noncompliance with Section 163.387(6)(b), Florida Statutes, applicable to the Satellite Beach Community Redevelopment Agency during the fiscal year ended September 30, 2021. The Agency did not submit its annual budget for fiscal year 2021 nor one of the two subsequent amendments to the budget to the Brevard County Board of County Commissioners within 10 days after the adoption of such budget or within 10 days after the adoption of the amendment to the fiscal year 2021 budget.

In our opinion, the CRA complied, in all material respects, with the requirements of Sections 163.387(6) and 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2021, except for as noted in the paragraph above.

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.

Melbourne, Florida
March 1, 2022

City of Titusville

Community Redevelopment Agency



Annual Report

FY 2020 - 2021

Prepared by
City of Titusville
Community Development
& Finance Departments

Downtown Community Redevelopment Agency

CRA Board Members:

Daniel Diesel, Chairperson
Robert Jordan, Vice Chairperson
Greg Aker
Jim Ball
Jo Lynn Nelson
Joe Robinson
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
Peggy Busacca, Community Development Department Director
Tim Ford, Redevelopment Planner

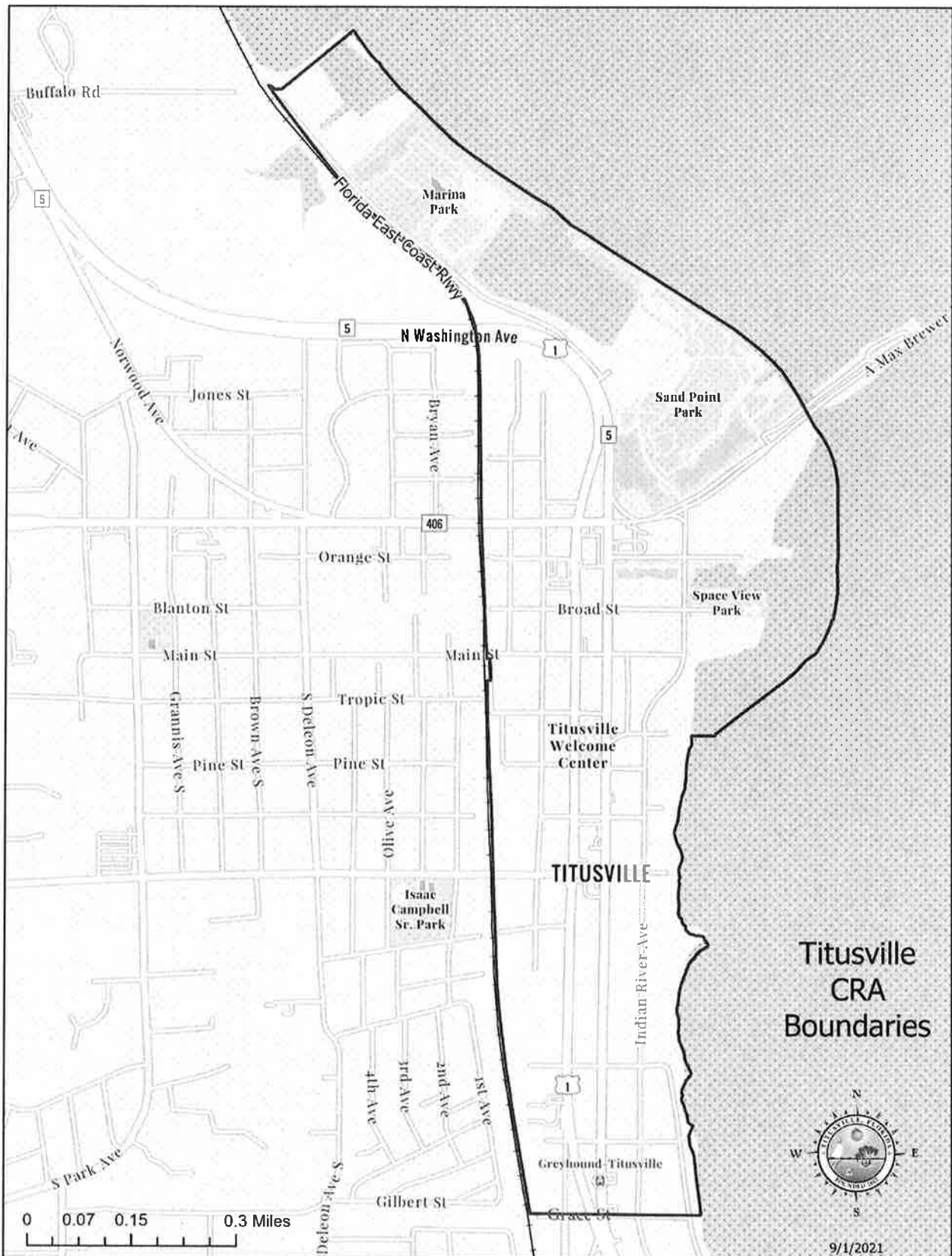
Introduction

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 and 2000's 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.

In an effort 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 (299.42) 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, or core 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 2021 was \$115,007,903, which is an increase of \$6,775,988 in value from the FY 2020 assessed property value.

A history of the Titusville CRA Tax Increment Revenue per year since 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. Over the past decade, 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

The Tax Increment Financing (TIF) revenues for the Downtown CRA increased substantially in 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 the 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. The ratio of debt service to revenue in FY2020-2021 was 13.99%.



Harbor Pointe Condominiums on Indian River Avenue

Fiscal Year 2020-2021 Capital and Non-Capital Projects

The Downtown CRA has continued with existing projects during the 2020 - 2021 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 Permit & Fee Grant Programs (operational – see detailed grant payouts in the narrative below),
- ❖ Four (4) Street Lamp Post Holiday L.E.D. Lighted Wreath Decorations (\$1,354),
- ❖ Utilities Sewer Main Cured In-place Pipe Lining (\$295,686)
- ❖ U.S. 1 Landscaping Infill (\$34,825)
- ❖ Landscape Bed Mulching (\$15,000)
- ❖ Two (2) Bicycle Repair Stations (\$3,335)
- ❖ Trash Receptacle for Main Street (\$1,179)

Capital Projects Started but not Completed in the Fiscal Year and Their Estimated Cost:

- ❖ Stormwater Cured In-place Pipe Lining (\$130,000)
- ❖ Sidewalk Infill (\$58,000)
- ❖ Julia Street Light Improvements (\$60,253)

More detail about these projects follows.

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.

One (1) Permit & Impact Fee grant for the construction of a new building in the CRA district was awarded in FY2021. The estimated total cost of the new building was \$248,650. The total amount of the grant awarded was \$8,796.50 based on an estimated total of \$17,594.12 in impact and building fees.

Four (4) grant payouts were made during the fiscal year. The grant payments were for three (3) Commercial Beautification grants and one (1) Permit & Impact Fee grant. The total payout for the grants during the fiscal year was \$46,219.05.

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 presently taking place in the CRA, the Launch Now project with an estimated cost of \$5 million of construction and the Beachwave project with an estimated cost of \$3 million. The Beachwave project was completed in FY2021. The Launch Now project is slated to be completed in FY2022.

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.

Street Lamp Post Holiday Wreath Decorations

In FY2021 the CRA expanded its holiday decorations by adding four (4) 40-inch L.E.D. lighted holiday pole wreaths to be placed on pedestrian light poles at the intersections of US Route 1 with Garden Street at the north and South Street at the south. The four (4) wreaths were added to four (4) wreaths purchased in FY2020 so that there would be wreaths on each side of S. Washington Avenue and S. Hopkins Avenue. The total cost of the four (4) wreaths was \$1,956.



L.E.D. Lighted 40 inch Wreath

Utility Infrastructure - Sewer Main Pipe Lining

Due to aged sewage main pipes in the CRA which are in danger of leaking and rupturing and affecting the nearby Indian River Lagoon, and to the large estimated cost of \$12 million to repair and replace old sewer mains in the city, the CRA budgeted \$128,216 to assist in funding cure in-place sewer main pipe lining in the CRA district.



On Christmas Eve of 2020 a major sewer force main broke underneath a U.S. 1 drainage pond near the intersection of N. Washington Avenue and A. Max Brewer Parkway and Sand Point Park causing sewage to spill into the drainage pond and an overflow ditch to the Indian River Lagoon. The CRA and City Council approved two (2) budget amendments to add \$48,870 and \$118,600 to provide a total of \$295,686 to help expedite cure in-place sewer lining in the CRA district. The funding directly paid for 27 sewer pipe lines or 4,991 linear feet of eight (8) inch pipe and seven (7) sewer pipe lines or 1,924 linear feet of ten (10) inch

sewer pipe to be repaired with cure in-place pipe lining. With this action the Titusville CRA helped to prolong the life of the sewer lines and helped to protect the nearby Indian River Lagoon's water quality.

US-1 Landscape Infill

In March of 2021, the CRA funded the landscaping infill of the landscape islands in the US-1 right-of-way (S. Washington Avenue and S. Hopkins Avenue) from Grace Street to Broad Street. The bulk of the plantings were installed in the area between South Street and Grace Street. Mulch was also added to the landscape beds on US-1 and other areas in the CRA. The contract was awarded to JB Lawn Control at a cost of \$34,825.



Landscape Bed Mulching



Mulch was purchased and installed by Public Works employees to the US-1 beds and other landscape beds in the CRA for an approximate cost of \$15,000.

Bicycle Repair Stations

With the closing of the bicycle shop at the Downtown Welcome Center in FY 2020 due to the Covid pandemic and supply and manufacturing shortages, there was a need for self-repair bicycle stations in the downtown and along the Downtown Connector bicycle trail. The CRA purchase two (2) bicycle repair stations at total cost of \$3,335. One of the repair stations was installed at the Downtown Welcome

Center and the other was installed at the trail adjacent to Indian River Avenue near the intersection of Broad Street and Indian River Avenue by Space View Park. Due to the popularity of the repair stations and the need for a repair station at Sand Point Park as informed by North Brevard County Parks & Recreation staff, a third bike repair station was ordered during the fiscal year but was not delivered until FY2022 due to manufacturing and distribution supply issues caused by the Covid pandemic.



Welcome Center Repair Station



Indian River Ave. Repair Station

Main Street Trash Receptacle

Based on input from the Titusville Downtown Merchants Association regarding the need for an additional trash receptacle on Main Street between S. Washington Avenue and Indian River Avenue, a trash receptacle was purchased at a cost of \$1,179. The trash can was located near the southeast corner of the intersection of Mariners Way and Main Street, midway between S. Washington Avenue and Indian River Avenue.

Stormwater Cured In-place Pipe Lining

In July of 2021 the CRA and City Council approved a Budget Amendment in the amount of \$130,000 to install stormwater cured in-place pipe liner at two (2) locations in the CRA. The locations were Grace Street between US-1 and S. Hopkins Avenue and Palm Avenue between Main Street and Julia Street. Both locations were in critical need of repair. The cured in-place method is more cost effective and allows the roadways to remain open and usable during the process. The slip lining also allows for Grace Street to be resurfaced in FY2022 and prevents the excavation of newly paved Palm Avenue in order to repair the pipes. The project was started in FY2021 but was not completed until November, 2022.

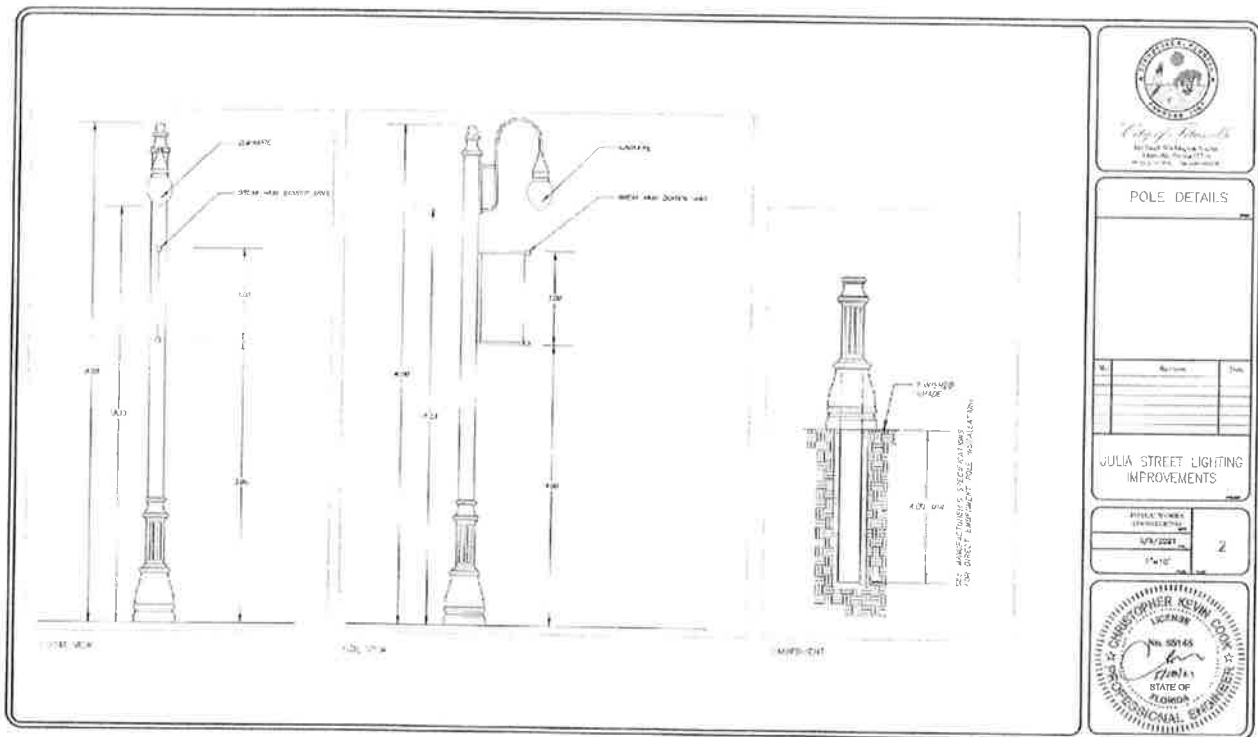


Sidewalk Infill

The CRA proposed to provide infill sidewalks and Americans with Disabilities Act (ADA) improvements on Lemon Avenue and Broad Street. Due to issues with trying to piggy back the sidewalk and concrete repair work with Brevard County's Sidewalk and Concrete Repair Contract, the CRA's Sidewalk Infill project was moved to FY2021 so that a citywide sidewalk and concrete repair proposal could be advertised. The Public Works Department decided to complete the sidewalk work in-house due to issues with soliciting bid proposals. The sidewalk was designed during the fiscal year but will not be installed until FY2022.

Julia Street Light Improvements

During FY2020 Public Works staff worked on designing street lighting on the north side of Broad Street between S. Palm Avenue and Indian River Avenue, and replacing the purple pedestrian lamp posts on the south side of Julia Street in front of the Titusville Playhouse. At the September 8, 2020 CRA meeting, the CRA heard a presentation by staff regarding options and cost analyses to replacing the three (3) old lamp posts on Julia Street. The options involved possibly replacing the existing three (3) purple gothic lamp posts with lamp posts consistent with those lamp posts on S. Washington Avenue and S. Hopkins Avenue and if so, determining whether to opt for two (2) light poles on the south side of Julia Street, or six (6) lamp posts on both sides of Julia Street between S. Hopkins Avenue and S. Palm Avenue. Based on the cost analyses provided and the amount of funds currently budgeted, the CRA opted to direct staff to install two (2) new L.E.D. lamp posts similar to the rest of the downtown CRA on Julia Street. The project includes not only lamp posts but also trenching, running conduit, wiring, and power drops. An award of contract was issued to Rush Facilities in the amount of \$60,253 to construct the pedestrian lights. The lights are to be installed in FY2022.



Julia Street Pedestrian Lights Detail

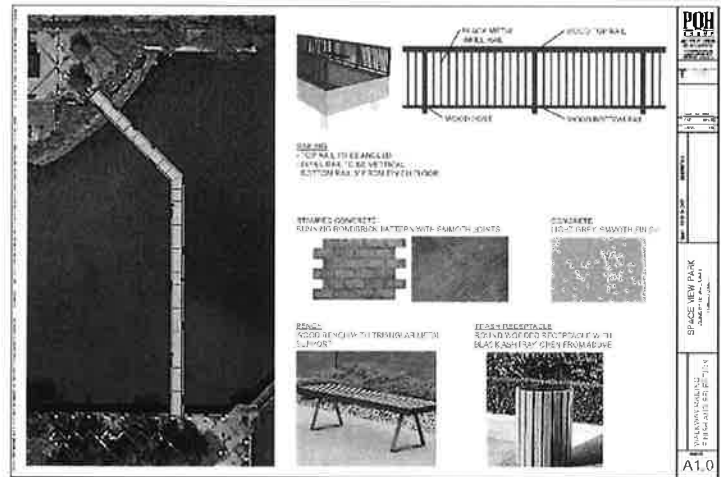
Non-Capital Projects

The Non-Capital Projects that occurred over the fiscal year are as follows:

- ❖ Spaceview Park Connecting Pedestrian Pier Feasibility Study/Final Design
- ❖ Streetscape Landscaping and Facilities Maintenance
- ❖ Community Policing
- ❖ Historic Preservation Activities
- ❖ Downtown Mixed Use Development Review Activities
- ❖ Memorandum of Agreement (MOA) for Temporary Use of Space at the Downtown Welcome Center

Spaceview Park Connecting Pedestrian Pier Feasibility Study

The CRA approved advisability in July 2019 and a budget amendment in September 2019 to fund a feasibility study for a pedestrian pier to connect Spaceview Mercury Park to Spaceview Gemini Park. The parks are separated by an inlet that requires visitors to back track to visit both parks. If found feasible to construct, the pier will meet the CRA's Plan goal of connecting the City's parks and providing a water front 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 to have a contract for a final design of the presented Concept #1. At the May 2021 CRA meeting the CRA and City Council approved an award of contract for Taylor Engineering to provide a final design of the Spaceview Park Connecting Pedestrian Pier at a cost of \$92,833. The design is estimated to be finalized by March of 2022.



Artist computer rendition of the Connecting Pedestrian Pier

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 and a full time maintenance worker.

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.

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 480.75 hours for the fiscal year and the details involved 1,001 Property Checks; 127 Traffic Stops; and 31 Suspicious Persons/ Vehicles/Incidents.

Total incident statistics in the redevelopment district for the fiscal year not part of the CRA Police details were as follows:

Property Checks -2,225

Suspicious Persons/Vehicles/Incidents – 506

Vehicle Burglaries – 18 (FY 2020 - 16)(FY2019 - 41)

Residential Burglaries – 0 (FY2020 - 2)(FY2019 – 2)

Commercial Burglaries – 4 (FY2020 - 10)(FY2019 – 11)

Traffic Stops – 1,269 (FY2020 - 1,140) (FY 2019 – 748)

Traffic Accidents without injuries – 138 (FY2020 – 122) (FY 2019 -165)

Traffic Accidents with injuries – 52 (FY2020 -54) (FY 2019 – 29)

Burglary Comparison between the CRA and Citywide:

CRA District – 28 (FY2020 – 28)

City Wide – 402 (FY2020 – 555)

Calls for Service between the CRA and Citywide:

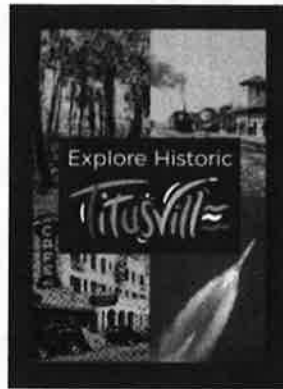
CRA – 8,683

Citywide – 114,392

The incident statistics show that the Community Policing details had an emphasis on reducing vehicle burglaries and enforcing traffic laws during the fiscal year. The residents and property owners within the CRA have acknowledged the Community Policing program as a success.

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 obtaining of a State of Florida Division of Historical Resources Small Matching Grant in July 2020 in the amount of \$30,000 to fund the creation of an Explore Historic Titusville booklet, mobile phone app and web site (<http://history.titusville.com>) providing walking/driving tours/audio recordings of historic resources of the City from the areas first indigenous inhabitants to the Space Program. The majority of the history and historic landmarks in the booklet, app and web site walking/driving tour are found in the Redevelopment District.



Downtown Development Design Review Activities

The Downtown Mixed Use zoning district regulations call for the CRA to have design approval of development projects with either more than 10,000 square feet of building and or have greater than 1.5 acres of area and to approve any zoning waivers for such sized developments. In April of 2021, the CRA approved the development plans for the Horizon at Sand Point development which involves a development with a mixed-use multistory apartment – commercial/hotel

complex to be developed in four (4) phases on 14.1 acres located at 300 N. Washington Avenue. The project proposes 384 apartment units to be built in the first two phases of the development. The development will provide a much need residential component to the CRA area that will help to support commercial uses in the CRA. The CRA also reviewed and provided a recommendation for approval of a Conditional Use request for a car rental agency to operate at 1026 S. Hopkins Avenue.

Memorandum of Agreement (MOA) for Temporary Use of Space at the Downtown Welcome Center

With the construction of a new visitor center proposed at the Merritt Island National Wildlife Refuge proposed, a MOA was entered into between the CRA, the City of Titusville, and the Merritt Island Wildlife Association (MIWA) in December, 2020 for the MIWA to temporarily use space at the Downtown Welcome Center as a Gift Shop. MIWA used the space for approximately four (4) months.

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. Sixty nine (69) new Business Tax Receipts (BTR) were approved in the CRA District during the fiscal year. Here are some examples of some of the new businesses and major renovation and construction that occurred in FY 2020 – 2021 in the CRA District:



346 S. Washington Ave. Mutter Realty Building



Beachwave Building completed



Vacant gas station at 405 Garden St. before demolition



405 Garden St. after demolition – proposed Double O's Coffee site



Morgan & Morgan Law Office at 407 S. Washington Ave.



Hoffman's Table Restaurant at 311 S. Washington Ave.



Rear of the Launch Now development at 300-310 S. Washington Ave.



S.E. front corner of the Launch Now development



Paradise Grill at 106 Main St.



Whiskey's Bar & Lounge at 349 S. Washington Ave.

Summary of Redevelopment Plan Goals Achievement

State legislation now requires a summary indicating to what extent, if any, the community redevelopment agency has achieved the goals set out in its redevelopment plan. A summary of the redevelopment plan goals achievement by the Agency follows.

Becoming a Trail Town

The CRA is well into achieving the goal of making downtown Titusville a "Trail Town" with the completion of the Downtown Connector Trail in FY2019; the installation of primary wayfinding signs and other amenities such as downtown directory signage, a downtown welcome center, bike racks, the purchase and installation of two (2) bicycle repair stations this past fiscal year, etc.; and by being designated the second Trail Town in the State of Florida by the Florida Department of Environmental Protection, Greenway & Trails Division in FY2019. Work was completed on the construction of the missing link of trail between Indian River Avenue and the A. Max Brewer Bridge in the CRA. The trail link from Parrish Park east of the A. Max Brewer Bridge to the Merritt Island Wildlife Refuge property line was completed. Work still needs to be done to construct the trail link from the west Merritt Island National Wildlife Refuge property line to the Canaveral National Seashore; providing better wayfinding for trail users in the CRA; and continuing to improve streets, parks, sidewalks, lighting, wayfinding signage, and parking in the downtown, including possible trail heads in the District.

Vibrant Community Initiative

The vibrant community initiative goal involves increasing residential development in the downtown, the support of arts and entertainment facilities, and integrating existing recreational facilities in the downtown to make downtown a live, work and play destination. The CRA is working to attain this goal

with the Launch Now development under construction with the assistance of the CRA Grant Program. Launch Now will provide twenty (20) new boutique apartment units in a mixed use building in the heart of the Historic Downtown. 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 this fiscal year. More residential however is needed as pointed out in the City's Strategic Economic Development Plan to make the CRA more vibrant. In addition, the Titusville Playhouse has purchased property in the Julia Street – Palm Avenue area and has plans to create an entertainment 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, and other ancillary uses including eating and drinking establishments which will add to the vibrancy of the CRA/downtown. The CRA will need to consider additional public infrastructure in this area to help make this area an entertainment district.

The COVID pandemic, which began in March of 2020 and continued throughout the 2020 fiscal year and into the 2021 fiscal year, curtailed activities and commerce in the CRA with the shutdown of nonessential businesses and private events, such as the Downtown Street Parties put on by the Downtown Merchants Association, running races, etc. The City used Federal American Recovery Act funding to bring back the successful well attended Farmers Market in September, 2021 to provide food for low and moderate income people suffering from the economic issues caused by the lingering pandemic.

The CRA has supported the arts by wrapping traffic signal boxes designed by local artists along US Route 1 and by encouraging murals on buildings in the CRA. More and different kinds of art can be incorporated into the CRA to truly make the downtown a destination for visitors and residents.

The CRA is continuing to integrate existing recreational sites with the completion of the Downtown Connector Trail and by approving a feasibility study and then a final design for a pedestrian observation pier to link two (2) existing parks separated by water. The pedestrian-observation pier will become a waterfront destination for residents and visitors wanting to view rocket launches and take in the scenic view of the Indian River Lagoon. Other park improvements have included a splash pad, BMX bicycle track, skateboard facility, etc. over the years. City staff met with North Brevard County Parks and Recreation staff in Fiscal Year 2021 to investigate a partnership where the CRA could fund park improvements in the CRA district that would then be maintained by the Parks and Recreation Department. Long range plans call for a waterfront trail to connect recreational sites to the downtown and to areas to the south.

Community Policing

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. The use of cameras being installed 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. The Police Department has also used mail-outs and banner signs to promote various crime prevention campaigns such as "Lock It or Loose It" and variable message board signs to promote traffic safety in the redevelopment district.

Historic Preservation

Historic Preservation is a tool for the revitalization and adaptive reuse of historic buildings in the City. The majority of historic structures in Titusville are located in the CRA. These historic buildings are an asset to the City and create the City's character. This goal has been furthered with the creation of a Historic Preservation Board, a Historic Preservation Ordinance, the designation as a Certified Local Government; the designation of twelve (12) historic resources to the Local Historic Register; the creation of a local Ad Valorem Property Tax Exemption Ordinance and the CRA Building Grant Program which

can be used as incentives to renovate historic resources; and the printing of a Titusville Historic Landmarks brochure. As stated earlier, the City obtained a State of Florida Division of Historic Resources Small Matching Grant in July 2020 in the amount of \$30,000 to fund the creation of a Explore Historic Titusville booklet, mobile app, and website which provide walking/driving tours/audio recordings of historic landmarks in the City. 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. There are many more historic resources in the CRA that need to be designated to prevent their razing and/or inappropriate façade renovation in order to maintain the City's downtown heritage and culture. A future grant project hopes to develop architectural guidelines to help owners of historic buildings when making renovations to preserve the historic architectural characteristics of their buildings.

Commercial Beautification Grant & Structural Rehabilitation

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 to increase the visual appearance of the CRA. The creation of the CRA's Commercial Interior Renovation Grant in previous years, the reinstituting of the Commercial Beautification Grant and the creation of the Building Permit and Impact Fee Grant that went into effect in FY 2019 helped to further this goal. As previously stated the return on investment of the grant program shows that the program is worthwhile in priming the pump of investment in the CRA. There are many properties in the CRA that can take advantage of this incentive.

Side Street Streetscape

Side street streetscape refers to the streets that intersect with US Route 1 (Washington Avenue and Hopkins Avenue). The streets include Orange Street, Broad Street, Main Street, Julia Street, Pine Street, Palmetto Street, South Street, and St. Johns Street. Orange Street east of S. Washington Avenue, and Main Street have been resurfaced. Orange and Pine Streets west of Hopkins Avenue as well as Lemon Avenue were resurfaced during the fiscal year. The resurfacing of other side streets in the CRA and the possible creation of landscape islands on Broad Street similar to what was done on Indian River Avenue when the trail was installed need to be done. Increased lighting including street and pedestrian lights are needed to be added to these side streets to provide a safe night time environment.

Underground Utilities

Converting the overhead power lines on US Route 1 and on Broad Street to underground has been found to be cost prohibitive at this time. A study in 2007 found that the cost to convert the lines to underground as part of the US 1 Streetscaping project in 2010 would be \$1.4 million. The cost would be even higher today. This goal of the Redevelopment Plan has been put on the back burner until it becomes financially feasible.

Targeted Property Acquisition

Targeted property acquisition is a strategic measure that can be used to attract development or provide public improvements such as parks, storm water ponds and conveyance, roads, etc. Without obtaining a loan or bond, it is financially unfeasible for the CRA to purchase any properties at this time. It may be possible for the CRA to form a public-private partnership to acquire strategic property for a desired development in the CRA with the use of tax increment reimbursement with potential developers.

Wayfinding Signage Program

The CRA has implemented the initial wayfinding signage to include seven (7) directional signs along the Downtown Connector Trail, two (2) downtown directory signs, and two (2) pole signs at the Welcome Center property directing visitors to the Welcome Center and Julia Street parking lot. Additional detailed

wayfinding/directional signs are needed for the connector trail and for landmarks in the downtown such as the historic district, the Veterans Memorial, the Space Monuments, the fishing/shrimping pier, the various parks, and the municipal marina.

Event Sponsorship and Marketing

The CRA stopped funding Special Events in FY 2017. The CRA determined that it wanted to concentrate funding on brick and mortar projects and not on special events. Marketing of the CRA has been transferred to the City's Economic Development Division. This goal is no longer in effect.

Banner Signs

Street banners attached to pedestrian light poles in the CRA have included downtown activities such as music, dining, history, culture and the environment. Banners have also been installed to commemorate significant events in the city such as was done for the City's celebration of the City's 150th anniversary of it's founding in 2017. Sixty six (66) holiday themed banners were purchased in FY 2019-2020 to provide for a more festive holiday season in the CRA. 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.

Downtown Stormwater Plan

It has been determined that a regional stormwater master plan would be cost prohibitive to implement due to the number of drainage basins that traverse the CRA and due to the ruling that the City's Stormwater Utility could not pay for the plan. In FY 2019 the CRA advocated the use of Low Impact Development (LID) techniques and public – private partnerships to create stormwater facilities to handle stormwater runoff in the CRA. The implementation of this goal will be a continuing process.

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, 2021. The financial statement provides information on the Agency's assets, liabilities, income, and operating expenses as of the end of fiscal year 2020 – 2021 in accordance with Chapter 163, Part III, Florida Statutes. Total expenditures from the Redevelopment Trust Fund in the fiscal year were \$726,356.

An audit report of the CRA's FY2020 - 2021 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 affordable housing is not one of the goals of the current CRA Plan.

TITUSVILE COMMUNITY REDEVELOPMENT AGENCY
FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
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INDEPENDENT AUDITORS' REPORT

To the Governing Board,
Titusville Community Redevelopment Agency:

Report on the Financial Statements

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, 2021, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, and the aggregate remaining fund information of the CRA, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

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 March 31, 2022, 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
March 31, 2022

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, 2021, by \$1,886,155 (net position). Of this amount, \$523,017 represents the net investment in capital assets, and \$1,363,138 was restricted for redevelopment purposes.
- As of September 30, 2021, the CRA's reported ending fund balances of \$1,363,138. Fund balance saw a change of \$118,649 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	
	2021	2020
ASSETS		
Current and other assets	\$ 1,672,117	\$ 1,298,032
Capital assets	523,017	535,539
Total assets	<u>\$ 2,195,134</u>	<u>\$ 1,833,571</u>
LIABILITIES		
Current liabilities	\$ 292,225	\$ 22,074
Advances from other funds	16,754	31,472
Total liabilities	<u>\$ 308,979</u>	<u>\$ 53,546</u>
NET POSITION		
Net investment in capital assets	\$ 523,017	\$ 535,539
Restricted	1,363,138	1,244,486
Total net position	<u>\$ 1,886,155</u>	<u>\$ 1,780,025</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	
	2021	2020
REVENUES		
Property taxes	\$ 979,345	\$ 961,910
Other revenues	2,703	44,532
Total revenues	<u>982,048</u>	<u>1,006,442</u>
EXPENSES		
Community development	351,054	278,536
Capital outlay	387,824	120,545
Total expenses	<u>738,878</u>	<u>399,081</u>
Net income before transfers	243,170	607,361
Transfers to primary government	(137,043)	(134,529)
Change in net position	106,127	472,832
Net position, beginning of year	1,780,028	1,307,193
Net position, end of year	<u>\$ 1,886,155</u>	<u>\$ 1,780,025</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 \$1,363,138, a change of \$118,649, 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 no significant amendments between the original and the final CRA budget, except to provide for spending authority of an additional \$1,238,830 in capital expenditures.

Actual expenditures in the general fund were \$1,317,452 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 2021-2022 fiscal year have increased, the future outlook of property values during and after the COVID-19 pandemic, 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 Titusville.

TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET / STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	<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	\$ 14,494	\$ -	\$ 14,494
Investments	1,657,623	-	1,657,623
Capital assets:			
Non-depreciable	-	200,000	200,000
Depreciable, net	-	323,017	323,017
Total assets	<u>\$ 1,672,117</u>	<u>\$ 523,017</u>	<u>\$ 2,195,134</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 292,225	\$ -	\$ 292,225
Due to primary government	16,754	-	16,754
Total liabilities	<u>308,979</u>	<u>-</u>	<u>308,979</u>
FUND BALANCE / NET POSITION			
Fund Balance:			
Restricted for:			
Community redevelopment	1,363,138	(1,363,138)	-
Net Position:			
Net investment in capital assets	-	523,017	523,017
Restricted for:			
Community redevelopment	-	1,363,138	1,363,138
Total fund balance / net position	<u>1,363,138</u>	<u>523,017</u>	<u>1,886,155</u>
Total liabilities and fund balance / net position	<u>\$ 1,672,117</u>	<u>\$ 523,017</u>	<u>\$ 2,195,134</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, 2021

	Statement of Revenues, Expenditures, and Changes in Fund Balance		Statement of Activities
	General Fund	Adjustments	Governmental Activities
Revenues			
Taxes	\$ 979,345	\$ -	\$ 979,345
Investment income	2,703	-	2,703
Miscellaneous	-	-	-
Total revenues	<u>982,048</u>	<u>-</u>	<u>982,048</u>
Expenditures / expenses			
Current:			
Community development	338,532		338,532
Capital outlay	387,824	-	387,824
Depreciation	-	12,522	12,522
Total expenditures / expenses	<u>726,356</u>	<u>12,522</u>	<u>738,878</u>
Excess (deficiency) of revenues over expenditures / operating income (loss)	<u>255,692</u>	<u>(12,522)</u>	<u>243,170</u>
Other financing sources (uses)			
Transfers out to primary government	(137,043)	-	(137,043)
Total other financing sources (uses)	<u>(137,043)</u>	<u>-</u>	<u>(137,043)</u>
Net change in fund balance / net position	<u>118,649</u>	<u>(12,522)</u>	<u>106,127</u>
Fund balance / net position, beginning of year	1,244,489	535,539	1,780,028
Fund balance / net position, end of year	<u>\$ 1,363,138</u>	<u>\$ 523,017</u>	<u>\$ 1,886,155</u>

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

TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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, 2021

(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, 2021, 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, 2021

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

(j) **Fund equity**—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, 2021

(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, 2021, 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, 2021, 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, 2021

(4) **Capital Assets:**

Capital asset activity for the fiscal year ended September 30, 2021, 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	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Capital assets, being depreciated –				
Buildings and improvements	376,710	-	-	376,710
Less accumulated depreciation for–				
Buildings and improvements	<u>(41,171)</u>	<u>(12,522)</u>	<u>-</u>	<u>(53,693)</u>
Total capital assets, being depreciated, net	<u>335,539</u>	<u>(12,522)</u>	<u>-</u>	<u>323,017</u>
Governmental activities capital assets, net	<u>\$ 535,539</u>	<u>\$ (12,522)</u>	<u>\$ -</u>	<u>\$ 523,017</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, 2021. 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.

During and through the end of the fiscal year ended September 30, 2021, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending and investment markets have been substantially impacted. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other future impact to the CRA as of March 31, 2022, management believes that an impact on the CRA's financial position and results of future operations is reasonably possible.

TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(6) **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, as adjusted based on the impacts of GASB Statement No. 95, 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. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.

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, 2021

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 979,345	\$ 979,345	\$ 979,345	\$ -
Investment income	-	-	2,703	2,703
Miscellaneous	-	-	-	-
Total revenues	<u>979,345</u>	<u>979,345</u>	<u>982,048</u>	<u>2,703</u>
Expenditures				
Current:				
Community Development	298,762	316,360	338,532	(22,172)
Capital outlay	506,216	1,727,448	387,824	1,339,624
Total expenditures	<u>804,978</u>	<u>2,043,808</u>	<u>726,356</u>	<u>1,317,452</u>
Excess (deficiency) of revenues over expenditures	<u>174,367</u>	<u>(1,064,463)</u>	<u>255,692</u>	<u>1,320,155</u>
Other financing sources (uses)				
Transfers out to primary government	(137,043)	(137,043)	(137,043)	-
Total other financing sources (uses)	<u>(137,043)</u>	<u>(137,043)</u>	<u>(137,043)</u>	<u>-</u>
Net change in fund balances	<u>37,324</u>	<u>(1,201,506)</u>	<u>118,649</u>	<u>1,320,155</u>
Fund balances, beginning of year	1,244,489	1,244,489	1,244,489	-
Fund balances, end of year	<u>\$ 1,281,813</u>	<u>\$ 42,983</u>	<u>\$ 1,363,138</u>	<u>\$ 1,320,155</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, 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, 2021, 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 31, 2022.

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.

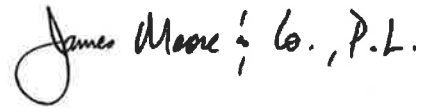
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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 may exist that have not been identified.

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 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, flowing style.

Daytona Beach, Florida
March 31, 2022

**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, 2021, and have issued our report thereon dated March 31, 2022.

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 31, 2022, 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. There were no findings and recommendations identified in the prior year 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.

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 Special District Information – Titusville Community Redevelopment Agency

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: \$98,392 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. Utilities Sewer Main Cured In-place Pipe Lining \$295,686
 - b. Stormwater Cured In-place Pipe Lining \$130,000
- 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 district amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows: the district's original budget totaled \$1,896,535 and was amended by the total amount of \$324,314, for final budgeted expenditures of \$2,220,849.

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
March 31, 2022

James Moore & Co., P.L.

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

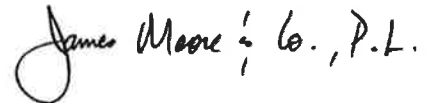
To the Governing Board,
Titusville Community Redevelopment Agency:

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, 2021. 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 the Statutes, for the year ended September 30, 2021, 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 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.

In our opinion, the Titusville Community Redevelopment Agency complied, in all material respects, with the Statutes for the year ended September 30, 2021.

Daytona Beach, Florida
March 31, 2022





Banner from the Redevelopment Master Plan

West Melbourne-Brevard County Joint
Community Redevelopment Agency
Annual Report to Brevard County



Fiscal Year 2020-2021
Published March 1, 2022

Community Redevelopment Agency

City Hall – 2240 Minton Road, West Melbourne, FL 32904

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b. Number of jobs create and sector of the economy from which these jobs were created within the CRA	
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- 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 -

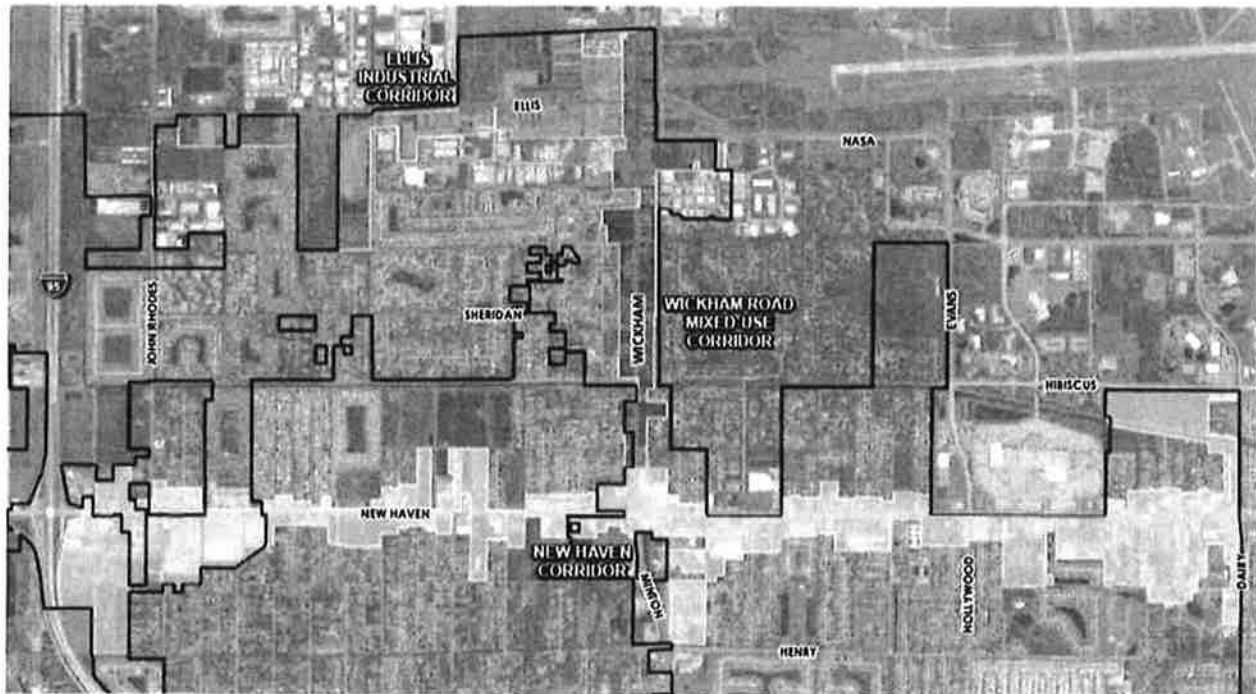
Chapter 163.356(3) (c), Florida Statutes, requires that community redevelopment agencies file an annual report of their financial activities with the taxing authorities by March 31st of each year for the preceding fiscal year. The details in this report comply with Brevard County and State of Florida requirements for annual reporting on this joint community redevelopment area. This annual report has been prepared and is filed for fiscal year 2020-2021.

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 2020-2021 fiscal year on September 30, 2021.

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.

b. TRANSMITTAL LETTER

West Melbourne-Brevard County Joint
Community Redevelopment Agency

Hal J. Rose, Chairman
John Dittmore, Vice-Chairman
Daniel Batchelder
Pat Bentley
Daniel McDow
Stephen Phrampus
Andrea Young
Kristine Zonka



CITY HALL
2240 Minton Road
West Melbourne, FL 32904
Phone: (321) 727-7700
Fax: (321) 768-2390
www.westmelbourne.org

Date: March 2, 2022

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 2020-2021. The Joint Community Redevelopment Agency Annual Report was filed with the City of West Melbourne and Brevard County on March 2, 2022. 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 31 of each year. This transparency supports the efficient utilization of resources when they are applied to the redevelopment of our business corridors.

Enclosure

SECTION II – BOARD MEMBERS AND STAFF

Who are the members of the Community Redevelopment Agency?

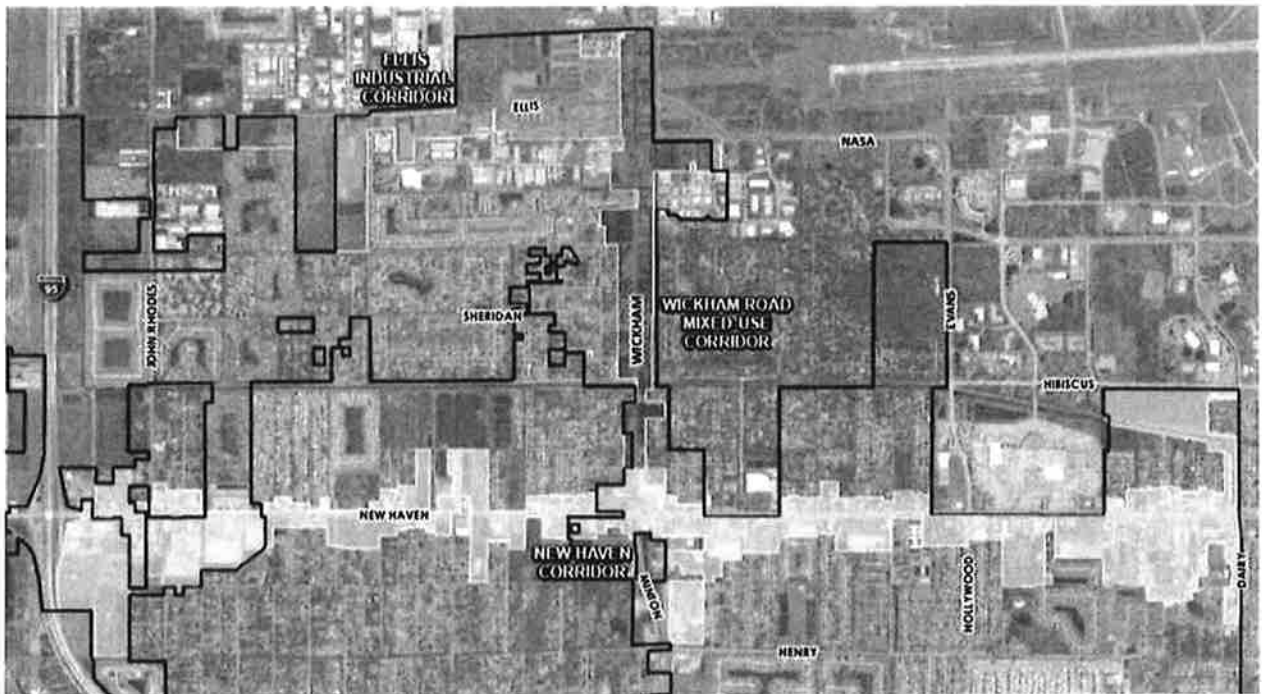
The activities and programs offered within a CRA are administered by the Community Redevelopment Agency. An eight-member Community Redevelopment Agency Board created by the City of West Melbourne and Brevard County in 2011. The Community Redevelopment Agency Board is served by the City of West Melbourne staff at no cost to the Agency. Community Redevelopment Agency members and staff at the close of the fiscal year on September 30, 2021, are listed in the table below.

WEST MELBOURNE-BREVARD COUNTY JOINT COMMUNITY REDEVELOPMENT AGENCY

(As of October 1, 2021)

Chairman	Hal Rose (West Melbourne Mayor)
Vice Chairman	John Dittmore (West Melbourne Deputy Mayor)
CRA Official	Daniel Batcheldor (West Melbourne Council)
CRA Official	Pat Bentley (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	Kristine Zonka (District 5 County Commissioner)
Registered Agent	Scott Morgan (West Melbourne City Manager)
CRA Attorney	Morris Richardson (West Melbourne City Attorney)
Executive Director	Christy Fischer (West Melbourne Planning Director)
CRA Clerk	Cynthia Hanscom (West Melbourne City Clerk)
Financial Officer	Margi Starkey (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*

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. 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.

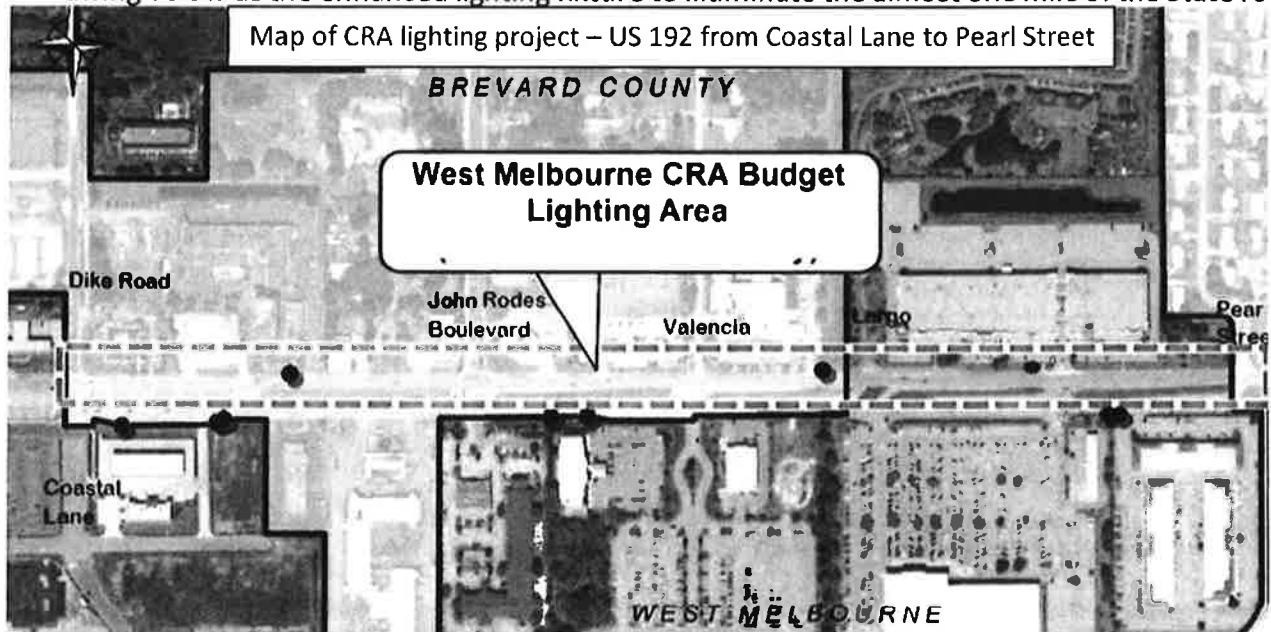


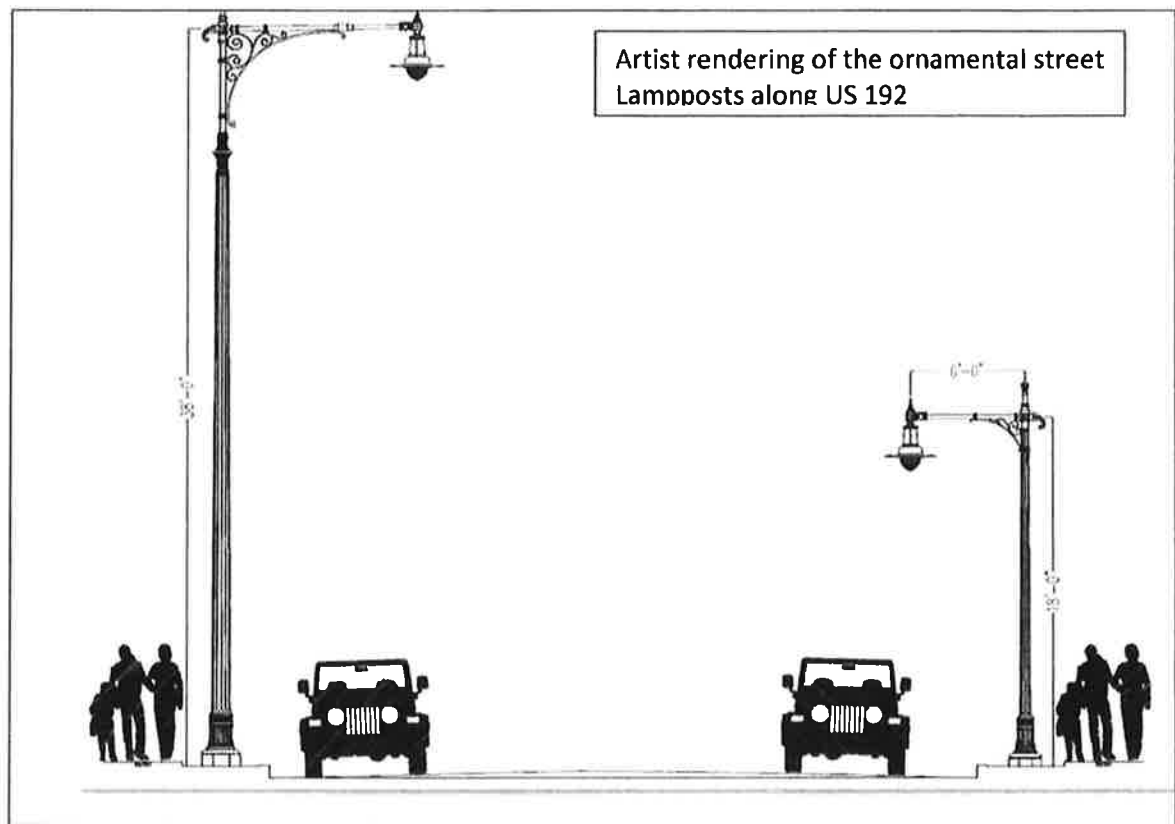
Before -Corner of New Haven Avenue and Interchange prior to landscaping



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, it will be reconsidered, but there was no interest during the 2016-2017 fiscal year, nor in fiscal year 2017-2018. 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.

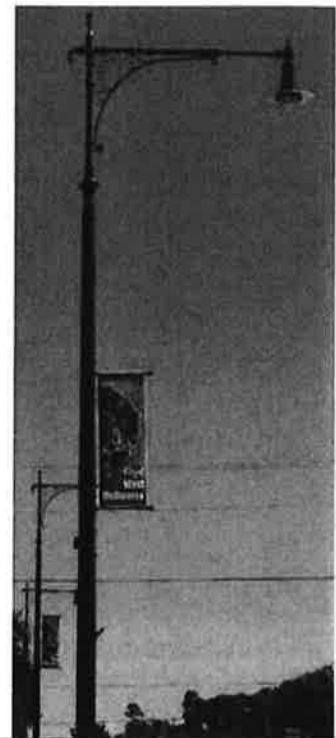
The State of Florida in its 2019 legislation required that Community Redevelopment Agencies report on the total number of projects started and completed and the estimated cost for each project in that fiscal year.

Total Projects started in FY 20-21*	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

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.

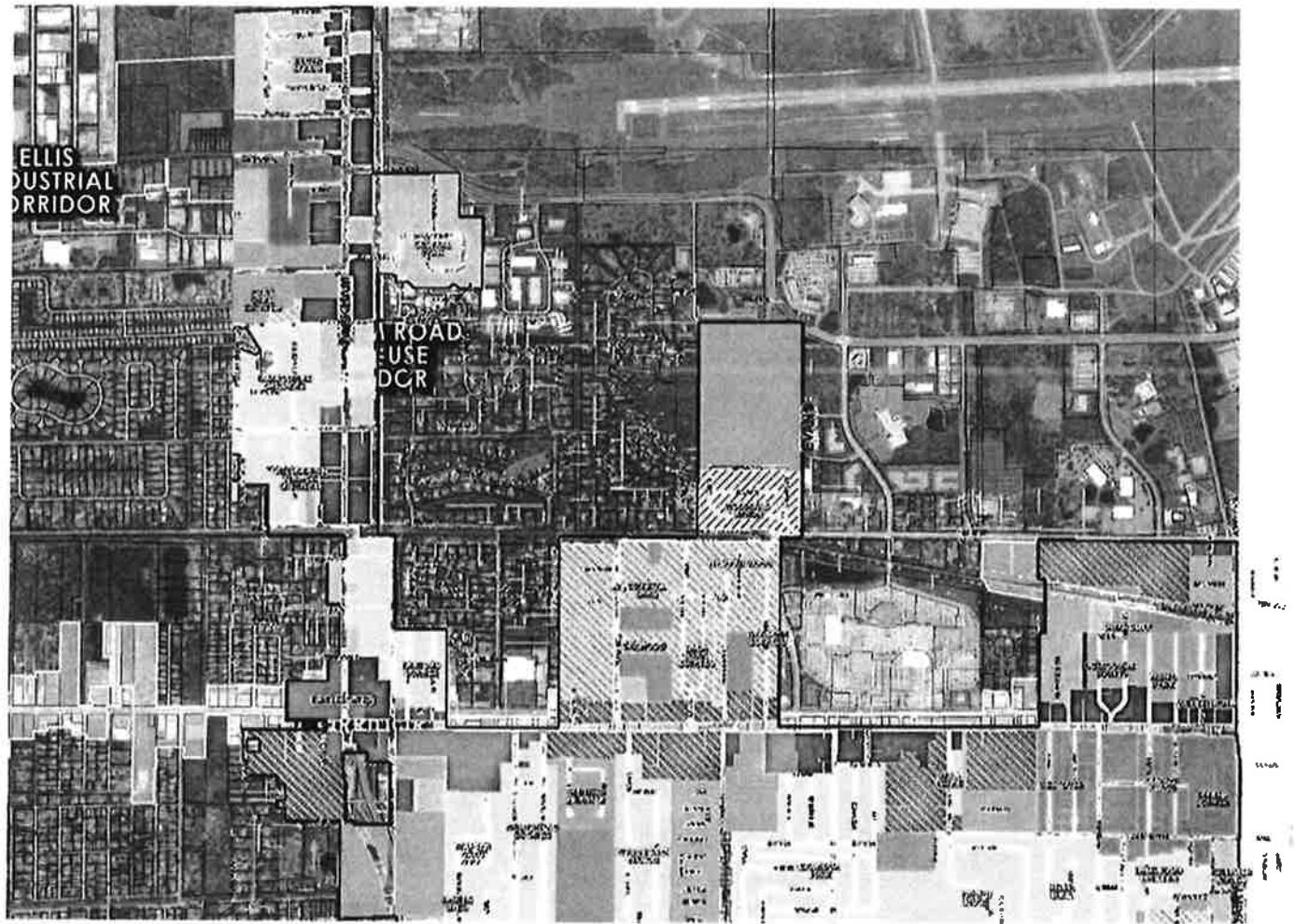


(Street lights installed in 2018 along US 192)

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 to 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. These images below show the before 2017 changes and after the changes:

Zoning Before 2017



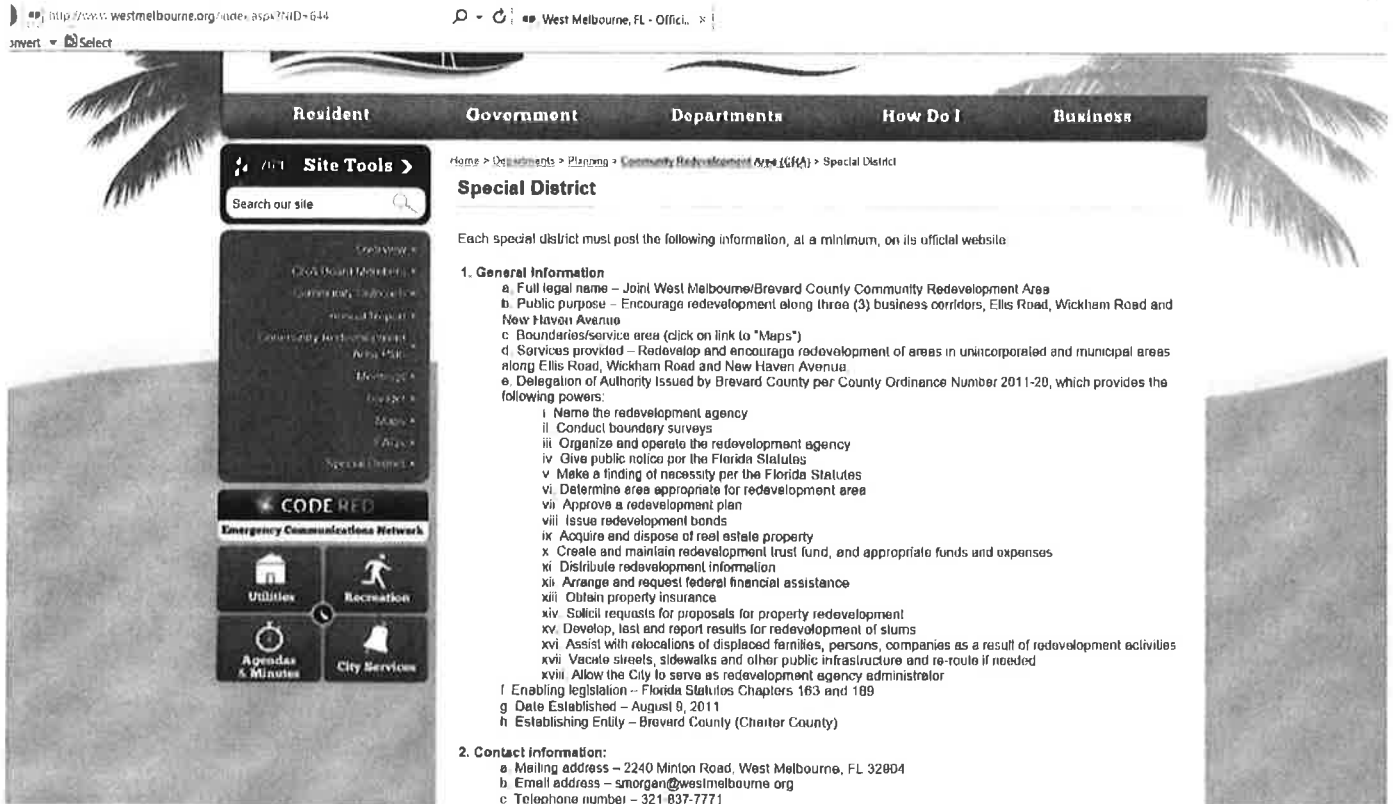
[illegible]

- ## 2 New Districts

- 520

WEBSITE

Special District website requirements – (Screen shot of City's "Special District" web page)



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 new statutory requirements. The purpose of the new 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 had 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.

SECTION VI – FINANCIAL REPORTS

a. Balance Sheet:

FY 2020-2021 Assets:

Cash and Investments	\$1,365,503
Total Assets	\$1,365,503

FY 2020-2021 Liabilities:

City Loan Debt Service – Current	\$100,000
City Loan Debt Service – Current	\$300,000
Total Liabilities	\$400,000

b. Statement of Revenues, Expenditures & Changes in Fund Balances:

FY 2020-2021 Revenues:

Increment Financing (County)	\$259,107
Increment Financing (City)	\$259,107
Total Revenue	\$518,626

FY 2020-2021 Expenditures:

Personnel costs	\$ 0
Operating Expenditures (includes newly required audit)	\$5,795
Total Expenditures	\$5,795

FY 2020-2021 Changes in Fund Balance

Fund Balance – Beginning of Year	\$452,672
Net Activity FY 2020-2021	\$512,831
Fund Balance	\$965,503

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
- 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. Staff anticipates that when Brevard County and the Florida Department of Transportation have completed design plans for four-laning Ellis Road, that CRA funds can be used to supplement the drainage requirements of the project.

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 2020-2021, 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 2021	
County	\$355,293,647
City	\$299,519,727

- 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	2018 Property Appraiser Value	2019 Property Appraiser Value	2020 Property Appraiser Value	2021 Property Appraiser Value
Cheddar's/2130 W. New Haven Ave.	2013 built	\$2,000,000	\$2,000,000	\$2,000,000	\$1,700,000
Autozone/1340 W. New Haven Ave.	2014 renovated	\$1,665,580	\$1,750,230	\$1,898,430	\$1,908,500
Arby's/2300 W. New Haven Ave.	2015 renovated	\$915,070	\$947,240	\$1,076,810	\$1,081,700
McDonald's/445 S. Wickham Road	2011 renovated	\$724,760	\$749,500	\$883,040	\$883,990
McDonald's/ 2450 W. New Haven Avenue	2016 renovated	\$916,280	\$936,020	\$1,102,780	\$1,109,060
Advance Auto/ 450 S. Wickham Road	2013 demo and built	\$783,380	\$877,840	\$904,590	\$909,350
Cumberland Farms/440 S. Wickham Road	2015 demo and built	\$1,233,410	\$1,291,470	\$1,614,340	\$1,147,180
Cumberland Farms/ 4440 W. New Haven	2015 demo and built	\$1,263,000	\$1,333,560	\$1,666,950	\$1,171,900
Cumberland Farms/ 1000 W. New Haven Ave.	2015 built	\$1,263,180	\$1,413,550	\$1,766,940	\$1,245,090
Wawa/combination of 3 parcels – 3175 W. New Haven Avenue	2015-2016	\$1,716,290	\$1,817,890	\$2,272,360	\$2,000,000
Health First (used to be Office Depot/Wild Oats plaza) – 1131 W. New Haven Avenue	2016 renovated	\$3,404,000	\$3,704,640	\$4,238,690	\$4,260,320
Dunkin Donuts (in Coastal Commerce) – 4525 W. New Haven Avenue	2017 new build	\$913,560	\$917,560	\$1,018,410	\$951,970
Starbucks -1425 W. New Haven Avenue	1993 – original building; 2020 demo and rebuild	\$413,880	\$417,610	\$523,190	\$929,680

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 thus is compliant with the County's 60 day requirement prior to September 30, 2021.*
- 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 has not had any budget amendments in FY 2020-2021 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 seventh year of operation and believes that the public improvements of street lighting, development code changes and gradual implementation of other strategies identified in the 2013 Redevelopment Master Plan yields the increased property values from redevelopment and new development and other benefits to an area that might otherwise continue further into blight conditions.

APPENDIX – COMMUNITY REDEVELOPMENT AGENCY MAP

