



# **Bayfront Community Redevelopment Agency**

## **Financial Statements**

September 30, 2024



**Bayfront Community Redevelopment Agency**  
**Contents**  
**September 30, 2024**

---

**Independent Auditor's Report**..... 1

**Management's Discussion and Analysis** ..... 4

**Financial Statements**

    Statements of Net Position and Governmental Fund Balance Sheet ..... 7

    Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in  
        Fund Balances ..... 8

    Notes to Financial Statements ..... 9

**Supplementary Information**

    Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual ..... 13

**Compliance Section**

    Report on Internal Control over Financial Reporting and on Compliance and Other Matters  
        Based on an Audit of Financial Statements Performed in Accordance with *Government*  
        *Auditing Standards* – Independent Auditor's Report ..... 14

    Independent Accountant's Report..... 16

    Independent Auditor's Management Letter ..... 17

## Independent Auditor's Report

Board of Commissioners  
Bayfront Community Redevelopment Agency  
Palm Bay, Florida

### Report on the Audit of the Financial Statements

#### ***Opinions***

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

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

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the CRA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during that audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2025, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

**Forvis Mazars, LLP**

**Orlando, Florida  
June 6, 2025**

**Bayfront Community Redevelopment Agency  
Management's Discussion and Analysis  
September 30, 2024**

---

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

***Overview of the Financial Statements***

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

***Government-wide Financial Statements***

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

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

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

***General Fund***

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

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

***Notes to the Financial Statements***

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

***Other Information***

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

**Bayfront Community Redevelopment Agency  
Management's Discussion and Analysis  
September 30, 2024**

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets exceeded liabilities by \$7,890,534 at the close of the most recent fiscal year. This compares with \$7,775,974 at the close of the previous fiscal year, an increase of \$114,560. Cash and investments increased \$372,365 due to CRA's proportionate share of incremental tax revenue and return of investments. Capital Assets decreased due to depreciation.

	<b>Net Position</b>	
	<b>2024</b>	<b>2023</b>
Assets		
Current and other assets	\$ 3,036,130	\$ 2,663,766
Capital assets	<u>4,854,404</u>	<u>5,112,208</u>
Total assets	<u>7,890,534</u>	<u>7,775,974</u>
Net position		
Net investment in capital assets	4,854,404	5,112,208
Restricted	<u>3,036,130</u>	<u>2,663,766</u>
Total net position	<u>\$ 7,890,534</u>	<u>\$ 7,775,974</u>

**Governmental Activities**

The components are as follows: Governmental activities increased the CRA's net position by \$114,560 in fiscal year 2024. Higher assessed property values offset with a decrease in the City's operating millage rate provided for a larger revenue source over FY24. CRA's revenues reflect the sale of 1 vacant lot on Orange Blossom Trail, Palm Bay which the City and CRA owned jointly. Conversely, based on an October 2019 interlocal agreement with the City of Palm Bay, CRA returned \$799,983 of unexpended funds to Brevard County Board of County Commissioners.

	<b>Changes in Net Position</b>	
	<b>2024</b>	<b>2023</b>
General revenues		
Intergovernmental	\$ 2,664,894	\$ 2,394,530
Investment income	<u>239,114</u>	<u>138,224</u>
Total general revenues	<u>2,904,008</u>	<u>2,532,754</u>
Expenditures/Expenses		
General government	2,669,441	1,481,445
Loss from sale of capital	85,267	370,088
Depreciation	<u>205,275</u>	<u>219,749</u>
Total expenses	<u>2,959,983</u>	<u>2,071,282</u>
Change in net position	114,560	461,472
Net position - beginning	<u>7,775,974</u>	<u>7,314,502</u>
Net position - ending	<u>\$ 7,890,534</u>	<u>\$ 7,775,974</u>

**Bayfront Community Redevelopment Agency  
Management’s Discussion and Analysis  
September 30, 2024**

---

**Financial Analysis of the General Fund**

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

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

The only difference between General Fund operations and governmental activities is the accounting presentation for capital outlay and long-term debt. Capital outlay is accounted for as an expenditure in the General Fund and, to the extent it relates to capital asset additions, is replaced by depreciation expense on the statement of activities. Principal payments are accounted for as an expenditure in the General Fund and is a reduction of the outstanding liability on the statement of net position.

**General Fund Budgetary Highlights**

The variance between the final budget and actual operating expenditure was due to unfulfilled developer contractual agreements that will be appropriated in FY25.

**Capital Asset Administration**

The CRA’s net investment in capital assets as of September 30, 2024, amounts to \$4,854,404, a decrease of \$257,805. Additional information on the CRA’s capital assets can be found in Note 4 *Capital Assets* in the footnote section of this report.

	<b>Capital Assets (Net of Depreciation)</b>	
	<b>2024</b>	<b>2023</b>
Land	\$ 440,952	\$ 493,481
Infrastructure	4,413,452	4,618,727
Total	\$ 4,854,404	\$ 5,112,208

**Economic Factors and Conditions**

Median home prices decreased approximately 1.5% from the previous year, which is in keeping with the local real estate market for Central Florida. The City is comparable to other cities in Brevard County with a taxable property value increase in FY24 of 15%, which continue into 2025.

**Requests for Information**

This financial report is designed to provide a general overview of the CRA’s finances for all those with an interest in the government’s finances. Questions concerning any of the information should be addressed to the Finance Director, 120 Malabar Road SE., Palm Bay, FL 32907.

**Bayfront Community Redevelopment Agency**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**September 30, 2024**

	<u>General Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Net Position</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 51,698	\$ -	\$ 51,698
Investments	2,984,432	-	2,984,432
Capital assets			
Nondepreciable	-	440,952	440,952
Depreciable, net	-	4,413,452	4,413,452
<b>Total Assets</b>	<u>\$ 3,036,130</u>	<u>4,854,404</u>	<u>7,890,534</u>
<b>Fund Balances/Net Position</b>			
Fund balances:			
Nonspendable	\$ -	-	-
Restricted	3,036,130	(3,036,130)	-
<b>Total Fund Balances</b>	<u>3,036,130</u>	<u>(3,036,130)</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 3,036,130</u>		
Net position:			
Net investment in capital assets		4,854,404	4,854,404
Restricted		3,036,130	3,036,130
<b>Total Net Position</b>		<u>\$ 7,890,534</u>	<u>\$ 7,890,534</u>

**Bayfront Community Redevelopment Agency**  
**Statement of Activities and Governmental Fund Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Year Ended September 30, 2024**

	<u>General Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Activities</u>
<b>Revenues</b>			
Intergovernmental	\$ 2,664,894	\$ -	\$ 2,664,894
Investment income	239,114	-	239,114
<b>Total Revenues</b>	<u>2,904,008</u>	<u>-</u>	<u>2,904,008</u>
<b>Expenditures/Expenses</b>			
Current			
Economic environment	2,669,441	-	2,669,441
Capital improvements			
Depreciation	-	205,275	205,275
<b>Expenditures/Expenses</b>	<u>2,669,441</u>	<u>205,275</u>	<u>2,874,716</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>234,567</u>	<u>(234,567)</u>	<u>-</u>
<b>Other Financing Sources and (Uses)</b>			
Gain/loss from sale of capital assets	137,797	(52,529)	85,268
<b>Total Other Financing Sources and (Uses)</b>	<u>137,797</u>	<u>(52,529)</u>	<u>85,268</u>
<b>Change in Fund Balance/Net Position</b>	372,364	(257,804)	114,560
<b>Fund Balances/Net Position</b>			
Beginning of the year	2,663,766	5,112,208	7,775,974
End of the year	<u>\$ 3,036,130</u>	<u>\$ 4,854,404</u>	<u>\$ 7,890,534</u>

## **Note 1. Summary of Significant Accounting Policies**

### ***Financial Reporting Entity***

The Community Redevelopment Agency (the “CRA”) is a blended component unit of the City of Palm Bay, Florida (the “City”). The City Council appoints an advisory board to administer the activities. The seven-member governing board of the CRA consists of five members of the City Council and two additional At-Large commissioners appointed by the City Council in accordance with section 52.002, City of Palm Bay Code of Ordinances and section 163.357(1) (c), Florida Statutes.

The CRA was created pursuant to Section 163.356, Florida Statutes, through ordinances passed by the City and Brevard County. It was created by City Resolution 95-72, dated December 12, 1995. Its primary activities include the rehabilitation, conservation, or redevelopment of slum or blighted areas within the City. The City provides accounting and administrative support to the CRA without charge; the CRA does not have personnel or administrative facilities.

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

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

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

### ***Government-wide and Fund Financial Statements***

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

### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

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

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

**Bayfront Community Redevelopment Agency**  
**Notes to Financial Statements**  
**September 30, 2024**

---

Governmental fund financial statements are reported using the *current financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 65 days of the end of the current period. Expenditures generally are recorded when a liability is incurred.

Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period and are recognized as revenue when the amount is received with the availability period which is limited to 60 days after the end of the fiscal year.

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

***Budgets and the Budgetary Process***

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

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

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

The CRA's management cannot amend or transfer appropriations.

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

***Pooled Cash and Equivalents and Investments***

Cash reported in the financial statements includes interest-bearing, demand accounts and certificates of deposits stated at fair value.

***Capital Assets***

Capital assets purchased in the General Fund are recorded as expenditures at the time of purchase. It is the policy of the CRA to capitalize property and equipment over \$5,000 with an estimated useful life in excess of one year. Lesser amounts are expensed. The CRA does not have donated fixed assets.

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

<u>Assets</u>	<u>Years</u>
Infrastructure	15-20

***Fund Balance***

The CRA has classified governmental fund balances as follows:

- Restricted Fund Balance – includes items that are restricted by external creditors, grantors or restricted by legal constitutional provisions.

**Bayfront Community Redevelopment Agency**  
**Notes to Financial Statements**  
**September 30, 2024**

---

***Estimates and Assumptions***

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

**Note 2. Reconciliation of Government-Wide and Fund Financial Statements**

Adjustments were made to include capital assets (net of accumulated depreciation) and long-term liabilities on the statement of net position. This resulted in a net difference between the ending General Fund balances and the total net position of \$4,854,404.

Total fund balance	\$ 3,036,130
Capital assets, net	<u>4,854,404</u>
Total net position	<u>\$ 7,890,534</u>

Adjustments were made to include depreciation expense, eliminate capital outlay expenditures, and repayment of debt principal, on the statement of activities. This resulted in a net difference between “change in fund balance” and “change in net position” of \$257,805.

Change in fund balance	\$ 372,364
Cost basis of capital assets sold	(52,529)
Depreciation expense	<u>(205,275)</u>
Change in net position	<u>\$ 114,560</u>

**Note 3. Pooled Cash and Equivalents and Investments**

***Cash and Cash Equivalents***

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

**Bayfront Community Redevelopment Agency**  
**Notes to Financial Statements**  
**September 30, 2024**

**Investments**

The CRA participates in the pooled cash and investments of the City. Investments are carried at fair value as defined in GASB Statement 72 Fair Value Measurement and Application. Consistent with GASBC Section 150: Investments, the City categorizes its fair value measurements within the fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability.

The fair value amounts, presented in the following table, are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net position.

Cash and cash equivalents	\$ 51,698
Investments	<u>2,984,432</u>
Total	<u>\$ 3,036,130</u>

The CRA does not manage its own investments. It is a portion of the City’s overall pooled investments; refer to Note 3 Deposits and Investments in the City of Palm Bay Annual Comprehensive Financial Report for further information on the City’s disclosures for interest rate risk, credit risk, custodial credit risk, and concentration of credit risk.

**Note 4. Capital Assets**

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

	<u>Balance October 1, 2023</u>	<u>Additions and Transfers</u>	<u>Deletions and Transfers</u>	<u>Balance September 30, 2024</u>
<b>Governmental Activities</b>				
Land	\$ 493,481	\$ -	\$ (52,529)	\$ 440,952
Total capital assets, not being depreciated	<u>493,481</u>	<u>-</u>	<u>(52,529)</u>	<u>440,952</u>
Capital assets being depreciated:				
Infrastructure	6,971,444	-	-	6,971,444
Accumulated depreciation	<u>(2,352,717)</u>	<u>(205,275)</u>	<u>-</u>	<u>(2,557,992)</u>
Total capital assets being depreciated	<u>4,618,727</u>	<u>(205,275)</u>	<u>-</u>	<u>4,413,452</u>
Total capital assets	<u>\$ 5,112,208</u>	<u>\$ (205,275)</u>	<u>\$ (52,529)</u>	<u>\$ 4,854,404</u>

Depreciation expense amounted to \$205,275 during fiscal year 2024 which is included on the statement of activities.

***Supplementary Information***

**Bayfront Community Redevelopment Agency**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Year Ended September 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>General Fund</b>				
Revenues				
Intergovernmental	<u>\$ 2,657,777</u>	<u>\$ 2,664,894</u>	<u>\$ 2,664,894</u>	<u>\$ -</u>
<b>Total Revenues</b>	<u>2,657,777</u>	<u>2,664,894</u>	<u>2,904,008</u>	<u>239,114</u>
<b>Expenditures</b>				
Current				
Economic environment	<u>2,657,777</u>	<u>3,147,240</u>	<u>2,669,441</u>	<u>477,799</u>
<b>Total Expenditures</b>	<u>2,657,777</u>	<u>3,147,240</u>	<u>2,669,441</u>	<u>477,799</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	(482,346)	234,567	716,913
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	<u>-</u>	<u>137,797</u>	<u>137,797</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>137,797</u>	<u>137,797</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (344,549)</u>	<u>372,364</u>	<u>\$ 716,913</u>
<b>Fund Balance - Beginning</b>			<u>2,663,766</u>	
<b>Fund Balance - Ending</b>			<u>\$ 3,036,130</u>	

## ***Compliance Section***

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

### **Independent Auditor's Report**

Board of Commissioners  
Bayfront Community Redevelopment Agency  
Palm Bay, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and General Fund of the Bayfront Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated June 6, 2025.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the CRA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the CRA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the CRA in a separate letter dated June 6, 2025.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Forvis Mazars, LLP**

**Orlando, Florida  
June 6, 2025**

## Independent Accountant's Report

Board of Commissioners  
Bayfront Community Redevelopment Agency  
Palm Bay, Florida

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

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

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

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

*Forvis Mazars, LLP*

**Orlando, Florida**  
**June 6, 2025**

## **Independent Auditor's Management Letter**

Board of Commissioners  
Bayfront Community Redevelopment Agency  
Palm Bay, Florida

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

We have audited the basic financial statements of the Bayfront Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated June 6, 2025.

### ***Auditor's Responsibility***

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

### ***Other Reporting Requirements***

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 6, 2025, should be considered in conjunction with this management letter.

### ***Prior Audit Findings***

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

### ***Official Title and Legal Authority***

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

### **Financial Condition and Management**

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

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

### **Property Assessed Clean Energy (PACE) Programs**

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

### **Special District Component Units**

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)7, *Rules of the Auditor General*, the CRA reported:

- (A) The total number of district employees compensated in the last pay period of the district's fiscal year as zero (0).
- (B) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero (0).
- (C) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero (0).
- (D) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero (0).
- (E) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as zero (0).

***Additional Matters***

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

***Purpose of this Letter***

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

***Forvis Mazars, LLP***

**Orlando, Florida  
June 6, 2025**