

**PUNTA GORDA**  
**COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Punta Gorda, Florida)

**ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2024**

PREPARED BY THE FINANCE DEPARTMENT

Kristin Simeone, CPA  
Director of Finance



**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**

(a Component Unit of the City of Punta Gorda, Florida)

For the fiscal year ended September 30, 2024

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## **FINANCIAL SECTION**

This section contains  
the following subsections:

Report of Independent Auditor

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

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## INDEPENDENT AUDITOR'S REPORT

Honorable Board of City of Punta Gorda's  
Community Redevelopment Agency  
Punta Gorda, Florida

### **Opinions**

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

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

### **Basis for Opinions**

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

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

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

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

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as indicated 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 June 27, 2025, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

*Ashley, Brown & Smith, CPA's*

Punta Gorda, Florida  
June 27, 2025

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**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**  
**(a Component Unit of the City of Punta Gorda, Florida)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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PUNTA GORDA REDEVELOPMENT AGENCY  
(a Component Unit of the City of Punta Gorda, Florida)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2024

Management's Discussion and Analysis (MD&A) of the City of Punta Gorda's Community Redevelopment Agency (CRA) offers readers of the CRA's financial statements a narrative overview and analysis of the financial activity for the fiscal year ended September 30, 2024. Readers are encouraged 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 CRA has presented its financial statements in accordance with the reporting model required by Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

## HISTORY OF THE CRA

The Punta Gorda Community Redevelopment Agency was created on November 15, 1989 by the City of Punta Gorda City Council under the State of Florida legislation originally passed in 1969. The main tool or power given to a CRA is the ability to receive and use Tax Increment Finance (TIF) revenues. These revenues are deposited into a redevelopment account that can only be used for permitted activities within the geographical boundaries of the CRA area. The Punta Gorda City Council, along with two additional members' at large, serve as the district's governing board and the City Manager is the Executive Director.

The CRA focused redevelopment efforts on projects which assisted in rebuilding public spaces, including several expansive projects which stressed the importance of maintaining public waterfront, alleviating parking issues, and helping to re-establish the critical mass of structures and economic activity within the downtown area and adjacent neighborhoods. Over 60% of the CRA tax base is commercial and professional uses.

In July 2012, the CRA Board and City Council, in partnership with Charlotte County, recognized that declining taxable values could not support the repayment schedule of existing debt. In doing so, the three governing bodies approved the extension of the life of the CRA until December 31, 2030. Additionally, it was agreed that all TIF revenue would be used solely for repayment of the debt, no new projects would be funded by TIF revenue, and that the CRA would sunset earlier if the debt was retired earlier. Subsequently, the City completed refinancing CRA debt to better match TIF income flow and to eliminate projected deficits.

Due to this agreement, the district has been divided into three divisions to better identify the funding sources for the three responsibilities of the district: 1) retirement of the CRA debt through the County and City TIF; 2) operations of Herald Court Centre (parking garage with retail space) supported by applicable rental revenues; and 3) maintenance of the infrastructure contributed by the district previously (marina, interactive fountain, mooring field, parking structure, and numerous gateway enhancements, intersection treatments, pocket parks and Martin Luther King Boulevard improvements) supported by land leases and miscellaneous revenues.

During FY 2024, the CRA had accumulated enough funding to fully pay the outstanding debt. In May of 2024, the governing bodies of the CRA provided by resolutions to sunset the CRA.

PUNTA GORDA REDEVELOPMENT AGENCY  
(a Component Unit of the City of Punta Gorda, Florida)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2024

## FINANCIAL HIGHLIGHTS

- The assets of the CRA exceeded its liabilities at the close of the fiscal year ended September 30, 2024 by \$2,2 million (net position).
- The CRA's total net position decreased by \$11.4 million.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The CRA's financial statements are comprised of the 1) entity-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

### **Entity-wide financial statements:**

The CRA's entity-wide financial statements provide readers with a broad overview of the CRA's finances in a manner similar to private-sector business. They are prepared using the accrual basis of accounting. The *Statement of Net Position* presents information on the CRA's assets and liabilities with the difference between them reported as net position.

The *Statement of Activities* presents information showing the CRA's current year revenues and expenses. The difference between revenue and expenses is reported as the change in net position 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 inflow/outflow will occur in future fiscal periods.

### **Fund Financial Statements:**

The CRA is a governmental fund. This type of fund is used to account for essentially the same functions reported as governmental activities of the entity-wide financial statement. However, unlike the entity-wide financial statements, the 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. The fund financial statements measure and report activities using the current financial resources measurement focus and the modified accrual basis of accounting. Therefore a reconciliation that converts this data to an economic resources measurement focus and the accrual basis of accounting is provided for use in the Entity-wide Financial Statements.

### **Notes to the Financial Statements:**

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

PUNTA GORDA REDEVELOPMENT AGENCY  
(a Component Unit of the City of Punta Gorda, Florida)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2024

FINANCIAL ANALYSIS

The CRA's net position as of September 30, 2024 was \$2.2 million (Table 1).

**Table 1**  
**Net Position**  
(in Thousands)

	Governmental Activities	
	2024	2023
Current and other assets	\$ 10,421	\$ 14,835
Capital assets	0	15,063
Total assets	10,421	29,898
Long-term liabilities	0	(8,179)
Other liabilities	(24)	(30)
Total liabilities	(24)	(8,209)
Deferred Inflows GASB 87 Leases	(8,165)	(8,049)
Net Position:		
Net investment in capital assets	0	(6,884)
Restricted:		
CRA District	0	(1,751)
CRA District Debt Service	0	(5,006)
Transfers required to close CRA fund	(2,233)	0
Total net position	\$ (2,233)	\$ (13,641)

In May 2024, both the County and City provided resolutions to sunset the CRA. Assets previously attributed to the CRA became the property of the City of Punta Gorda. The CRA's net position reflects the remaining cash value, lease receivables, and deferred inflows related to the leases. These remaining balances will be transferred in FY 2025 to the City's General Fund and a new fund that will account for the City's leases previously maintained in the CRA. The CRA net position decreased by \$11.4 million as the process to close the CRA was started.

The overall decrease in net position is due mainly to the following significant changes in assets & liabilities:

- Current and other assets decreased \$4.4 million - primarily cash \$4.6 million due to payoff of debt and \$0.2 million increase of GASB 87 leases receivable.
- Capital assets decreased \$15.1 million for transfer of capital assets of \$24.7 million with associated accumulated depreciation of \$9.6 million to the City
- Deferred Inflows from leases increased by \$0.1 million
- Principal decrease on long-term liabilities, \$8.2 million

PUNTA GORDA REDEVELOPMENT AGENCY  
(a Component Unit of the City of Punta Gorda, Florida)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2024

The decrease to CRA net position was \$11.4 million (Table 2).

**Table 2**  
**Changes in Net Position**  
(in Thousands)

	<b>Governmental Activities</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Revenues:		
Program revenues:		
Capital grants and		
Capital grants and contributions	\$ 2,060	\$ 1,844
General revenues:		
Incremental Property taxes	1,307	1,181
Other	657	786
Total revenues	4,024	3,811
Expenses:		
Economic environment	15,360	814
Interest on long-term debt	72	158
Total expenses	15,432	972
Increase (decrease)		
in net position	(11,408)	2,839
Net position-beginning	13,641	10,802
Net position-ending	\$ 2,233	\$ 13,641

The CRA's revenues increased \$213 thousand overall. TIF revenue increased \$322 thousand from increased property values despite a decrease in the County millage rate. Grant funding of \$19 thousand was received for Hurricane Idalia repairs of Herald Court Centre. Interest revenues decreased \$76 thousand and miscellaneous revenues decreased \$53 thousand for repayment of principal and increases in lease revenue. The CRA expenses increased \$14.5 million for the remaining net book value of assets that became the property of the City and interest expense decrease.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

The CRA's capital assets as of September 30, 2024 reflect an investment of \$0, due to the process started to close the CRA.

The following table provides a summary of net capital assets of the Redevelopment Agency.

PUNTA GORDA REDEVELOPMENT AGENCY  
(a Component Unit of the City of Punta Gorda, Florida)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2024

**Table 3**  
**Capital Assets at Year End**  
**(net of Depreciation, in Thousands)**

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Land	\$ 0	\$ 4,566
Buildings	0	8,379
Improvements		
other than buildings	0	903
Vehicles and equipment	0	3
Infrastructure / System	0	1,160
Construction		
work in progress	0	52
Total Capital Assets	\$ 0	\$ 15,063

**Debt**

As of September 30, 2024, the CRA (through an interlocal agreement) had \$0 revenue note debt. This is a net decrease of \$8.2 million as compared to the prior year due to the full payoff of the debt during the fiscal year.

**ECONOMIC AND OTHER FACTORS**

Debt was fully repaid in FY 2024 and the CRA, County, and the City have begun the process to close out the CRA fund.

Beginning in FY 2025, lease revenues and other miscellaneous revenues to maintain the assets that were purchased or constructed by the CRA are scheduled to move to a new special revenue fund and the general fund. Although the CRA will receive TIF funding in FY 2025 due to value of the CRA on January 1, 2024, all funds will be returned to the County and the City as no projects are scheduled per the prior agreement. All other remaining funds, receivables, liabilities and deferred inflows will also be transferred to close out the CRA fund.

**REQUESTS FOR INFORMATION**

The financial report is designed to provide a general overview of the CRA's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of Punta Gorda Community Redevelopment Agency, 326 West Marion Avenue, Punta Gorda, FL 33950.

## **BASIC FINANCIAL STATEMENTS**

**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**  
(a Component Unit of the City of Punta Gorda, Florida)  
**STATEMENT OF NET POSITION**  
September 30, 2024

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 23,818
Leases Receivable GASB 87	8,451,085
Restricted assets:	
Cash and cash equivalents	1,946,539
Total assets	10,421,442
 <b>LIABILITIES</b>	
Accounts payable and other current liabilities	8,311
Unearned revenue	15,507
Total liabilities	23,818
 <b>DEFERRED INFLOWS</b>	
Deferred inflows related to Leases (GASB 87)	8,164,733
 <b>NET POSITION</b>	
Restricted for:	
Transfer to new fund to close CRA fund	1,946,539
Non-expendable	286,352
Total net position	\$ 2,232,891

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

**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**

(a Component Unit of the City of Punta Gorda, Florida)

**STATEMENT OF ACTIVITIES**

For the Year Ended September 30, 2024

	<u>Expenses</u>	<u>Program Revenues Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
<u>Functions/Programs</u>			
Governmental Activities:			
Economic environment	\$ 15,360,099	\$ 2,060,170	\$ (13,299,929)
Interest on long-term debt	<u>71,984</u>	<u>0</u>	<u>(71,984)</u>
 Total Governmental Activities	 <u>15,432,083</u>	 <u>2,060,170</u>	 <u>(13,371,913)</u>
 Total Functions/Programs	 <u>\$ 15,432,083</u>	 <u>\$ 2,060,170</u>	 <u>(13,371,913)</u>
 General Revenues:			
Incremental Property taxes (City)			1,306,704
Investment earnings			295,815
Miscellaneous revenue			361,488
Total general revenues			<u>1,964,007</u>
Change in net position			(11,407,906)
Net Position - Beginning			13,640,797
Net Position - Ending			<u>\$ 2,232,891</u>

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

**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**  
(a Component Unit of the City of Punta Gorda, Florida)  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
September 30, 2024

<b>ASSETS</b>	
Cash and cash equivalents	\$ 23,818
Lease Receivable GASB 87	8,451,085
Restricted cash and equivalents	<u>1,946,539</u>
Total assets	<u>\$ 10,421,442</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	
Liabilities:	
Accounts payable	8,311
Unearned revenue	<u>15,507</u>
Total liabilities	<u>23,818</u>
Deferred Inflows:	
Deferred inflows related to Leases GASB 87	<u>8,164,733</u>
Total deferred inflows	<u>8,164,733</u>
Fund balances	
Nonspendable:	
Lease receivable	286,352
Restricted for:	
Transfer to new fund to close CRA fund	<u>1,946,539</u>
Total fund balances	<u>2,232,891</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 10,421,442</u>

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

**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**  
(a Component Unit of the City of Punta Gorda, Florida)  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
September 30, 2024

Total fund balance - governmental funds	\$ 2,232,891
There are no items requiring a reconciliation	
Net position of governmental activities	<u>\$ 2,232,891</u>

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

**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**  
(a Component Unit of the City of Punta Gorda, Florida)  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended September 30, 2024

Revenues	
Intergovernmental revenues	\$2,060,170
Miscellaneous	<u>657,303</u>
Total revenues	<u>2,717,473</u>
Expenditures	
Current	
Economic environment	294,501
Capital outlay	2,135
Debt service	
Principal retirement	8,179,000
Interest and fiscal charges	<u>71,984</u>
Total expenditures	<u>8,547,620</u>
Excess expenditures (over) under revenues	<u>(5,830,147)</u>
Other financing sources (uses)	
General Govt Fund Contributions/Property Tax Increment	<u>1,306,704</u>
Total other financing sources (uses)	<u>1,306,704</u>
Net change in fund balances	(4,523,443)
Fund balances, October 1, 2023	<u>6,756,334</u>
Fund balances, September 30, 2024	<u><u>\$2,232,891</u></u>

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

**PUNTA GORDA REDEVELOPMENT AGENCY**  
(a Component Unit of the City of Punta Gorda, Florida)  
**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**  
For the Year Ended September 30, 2024

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Net change in fund balances -- total governmental funds	\$	(4,523,443)
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 and reported as depreciation expense. This is the amount by which depreciation and capital asset adjustments were under capital outlays in the current period. Expensed items, including disposals, decrease net position in the statement of activities, but are not financial uses in governmental funds.		(15,063,463)
Repayment of the principal of long-term debt \$8,179,000 consumes the current financial resources of governmental funds. This transaction has no effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and accrued interest.		<u>8,179,000</u>
Change in net position of governmental activities	\$	<u>(11,407,906)</u>

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

## I. Organization and Summary of Significant Accounting Policies

### Organization

On November 15, 1989, the City of Punta Gorda formed its Community Redevelopment Agency (CRA) under the State of Florida legislation originally passed in 1969. The main tool or power given to a CRA is the ability to receive and use Tax Increment Revenues. These revenues are deposited into a redevelopment account that can only be used for permitted activities within the geographical boundaries of the CRA area. Permitted activities include, but are not limited to, financing or refinancing development/redevelopment, acquisition of property, development of affordable housing, comprehensive planning, and infrastructure improvements associated with redevelopment. The CRA area is bounded on the North by the Peace River, on the West by Maud Street, on the South by Henry Street, and on the East by Cooper Street.

The City of Punta Gorda has adopted Statement of Governmental Accounting Standards Board Number 14, "Financial Reporting Entity" (GASB 14). This statement requires the financial statements of the City (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable.

Under criteria established by GASB 14 component units are to be either blended with the primary government or presented discretely. For a component unit to be blended it must meet one or both of the following two situations: (1) The board of the component unit is "substantively the same" as that of the primary government or (2) The component unit serves the primary government exclusively, or almost exclusively. The Community Redevelopment Agency meets both of these criteria in that the CRA board is the five City Council members plus an additional two at large members, and the CRA exists for the exclusive benefit of the primary government.

The legal authority for the CRA is City ordinance #989-90. Effective for the fiscal year 2020, Florida Statute 163.387(8) requires a CRA that has revenues or a total of expenditures in excess of \$100,000 to have performed a separate audit. In accordance with Florida Auditor General Rule 10.557(3), the CRA audit report must include basic financial statements, notes to the financial statements and management's discussion and analysis.

The following is a summary of the more significant accounting policies used in the preparation of these financial statements.

#### A. Government-wide and fund financial statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements include the statement of net position and the statement of activities. The statement of net position reports information on all financial and capital resources of CRA activities. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues.

Separate financial statements are provided for governmental funds.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is provided which briefly explains the adjustments necessary to reconcile the results of governmental fund accounting to the government-wide presentations.

I. Organization and Summary of Significant Accounting Policies, Continued

B. 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. 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 CRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants which are recognized if eligibility requirements have been met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Incremental property taxes, leases, 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. All other revenue items are considered to be measurable and available only when cash is received by the CRA.

The CRA is a major governmental fund that accounts for the resources received from the City and County tax increment financing to repay debt used in the revitalization of the downtown Punta Gorda area and lease proceeds that support CRA capital maintenance.

C. Cash and cash equivalents

All funds of the CRA are invested with the City's cash and investment pool, which consists of the City's cash and investments and that of the component unit redevelopment agency. There are no restrictions on the CRA's ability to withdraw funds from the City's pool, so all amounts are considered cash and cash equivalents. All cash equivalents are stated at fair value, based on the CRA's investment portion of the fair value of the City's pooled investments.

D. Lease Receivables and Deferred Inflow of Resources

Effective as of October 1, 2021, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. For additional information, refer to disclosures below.

Effective as of October 1, 2021, City of Punta Gorda entered into a 1,018 month lease as Lessor for the use of Laishley Park Ground Lease. An initial lease receivable was recorded in the amount of \$7,670,366. As of September 30, 2024, the value of the lease receivable is \$7,915,178 and the value of the short-term lease receivable is \$10,145. The lessee is required to make monthly fixed payments of \$8,581. The lease has an interest rate of 1.2500%. The value of the deferred inflow of resources as of September 30, 2024 was \$7,647,835 and City of Punta Gorda recognized lease revenue of \$93,412 during the fiscal year.

I. Organization and Summary of Significant Accounting Policies, Continued

D. Lease Receivables and Deferred Inflow of Resources, Continued

Effective as of October 1, 2021, City of Punta Gorda entered into a 935 month lease as Lessor for the use of Trabue Parcel - Synovus Bank. An initial lease receivable was recorded in the amount of \$214,749. As of September 30, 2024, the value of the lease receivable is \$210,765 and the value of the short-term lease receivable is \$1,259. The lessee is required to make annual fixed payments of \$5,500. The lease has an interest rate of 2.0120%. The value of the deferred inflow of resources as of September 30, 2024 was \$206,480, and City of Punta Gorda recognized lease revenue of \$2,756 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 57 month lease as Lessor for the use of Punta Gorda Bowls in Herald Court Centre. An initial lease receivable was recorded in the amount of \$86,245. As of September 30, 2024, the value of the lease receivable is \$33,702 and the value of the short-term lease receivable is \$19,027. The lessee is required to make monthly fixed payments of \$1,545. The lease has an interest rate of 1.2100%. The value of the deferred inflow of resources as of September 30, 2024 was \$31,775, and City of Punta Gorda recognized lease revenue of \$18,157 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 36 month lease as Lessor for the use of Dream Spa Salon in Herald Court Centre. An initial lease receivable was recorded in the amount of \$107,579. As of September 30, 2024, the value of the lease receivable is \$0. The lessee is required to make monthly fixed payments of \$3,070. The lease has an interest rate of 1.8600%. The value of the deferred inflow of resources as of September 30, 2024 was \$0, and City of Punta Gorda recognized lease revenue of \$35,860 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 25 month lease as Lessor for the use of Otherside Ink in Herald Court Centre, which was renewed for an additional 60 months. An initial lease receivable was recorded in the amount of \$38,544. As of September 30, 2024, the value of the lease receivable is \$78,950 and the value of the short-term lease receivable is \$17,425. The lessee is required to make monthly fixed payments of \$1,576. The lease has an interest rate of 3.6510%. The value of the deferred inflow of resources as of September 30, 2024 was \$76,903, and City of Punta Gorda recognized lease revenue of \$18,808 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 24 month lease as Lessor for the use of Refinery Market in Herald Court Centre, which was renewed for an additional 24 months. An initial lease receivable was recorded in the amount of \$30,701. As of September 30, 2024, the value of the lease receivable is \$17,480 and the value of the short-term lease receivable is \$17,480. The lessee is required to make monthly fixed payments of \$1,444. The lease has an interest rate of 3.8720%. The value of the deferred inflow of resources as of September 30, 2024 was \$15,261, and City of Punta Gorda recognized lease revenue of \$15,261 during the fiscal year.

Effective as of June 1, 2022, City of Punta Gorda entered into a 48 month lease as Lessor for the use of PG Chocolate & Wine in Herald Court Centre. An initial lease receivable was recorded in the amount of \$52,902. As of September 30, 2024, the value of the lease receivable is \$23,097 and the value of the short-term lease receivable is \$13,687. The lessee is required to make monthly fixed payments of \$1,114. The lease has an interest rate of 1.3250%. The value of the deferred inflow of resources as of September 30, 2024 was \$22,043, and City of Punta Gorda recognized lease revenue of \$13,226 during the fiscal year.

I. Organization and Summary of Significant Accounting Policies, Continued

D. Lease Receivables and Deferred Inflow of Resources, Continued

Effective as of September 1, 2022, City of Punta Gorda entered into a 48 month lease as Lessor for the use of Punta Gorda Coffee and Tea in Herald Court Centre. An initial lease receivable was recorded in the amount of \$73,456. As of September 30, 2024, the value of the lease receivable is \$36,736 and the value of the short-term lease receivable is \$18,799. The lessee is required to make monthly fixed payments of \$1,547. The lease has an interest rate of 1.3250%. The value of the deferred inflow of resources as of September 30, 2024 was \$35,198, and City of Punta Gorda recognized lease revenue of \$18,364 during the fiscal year.

Effective as of September 1, 2022, City of Punta Gorda entered into a 60 month lease as Lessor for the use of Morgan Stanley. An initial lease receivable was recorded in the amount of \$221,552. As of September 30, 2024, the value of the lease receivable is \$135,177 and the value of the short-term lease receivable is \$44,354. The lessee is required to make monthly fixed payments of \$3,722. The lease has an interest rate of 1.5300%. The value of the deferred inflow of resources as of September 30, 2024 was \$129,239, and City of Punta Gorda recognized lease revenue of \$44,310 during the fiscal year.

E. Capital assets

Capital assets include land, buildings and improvements, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). Capital assets are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two 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.

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.

Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

As of September 30, 2024, the CRA capital assets are now owned by the primary government, the City of Punta Gorda.

F. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources. Principal payments of long-term debt are reported as debt service expenditures.

As of September 30, 2024, there is no long-term debt.

I. Organization and Summary of Significant Accounting Policies, Continued

G. Fund equity

In the fund financial statements, governmental funds report non-expendable, restricted, committed, assigned, and unassigned fund balances. Non-expendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Amounts that are restricted to specific purposes by constraints placed on the use of resources by creditors, grantors, contributors, or laws and regulations are restricted fund balances. Committed fund balances are amounts that can only be used for specific purposes as formally imposed by the CRA Board through a resolution. Assigned fund balances are for an intended use as established by the City Council. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. When both restricted and unrestricted fund balance is available for the same purpose, restricted funds will be used first. Also, unrestricted fund balance order for expenditures of the same purpose will be committed, assigned, and unassigned.

II. 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.

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. There was no difference between the two, therefore no elements required an explanation.

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.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes 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. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” Expensed items, including disposals, decrease net position in the statement of activities, but do not appear in the governmental funds because they are not financial uses. The details of this \$15,063,463 difference are as follows:

Capital outlay	\$	2,135
Net effect of misc. capital transactions (disposal, sale, trade-in of assets)		<u>(15,065,598)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities		<u><u>\$(15,063,463)</u></u>

II. Reconciliation of government-wide and fund financial statements, Continued

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, Continued

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) 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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$8,179,000 difference are as follows:

Principal repayments:	
Capital Improvement revenue notes	<u>\$ 8,179,000</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 8,179,000</u>

III. Stewardship, compliance, and accountability

A. Budgets and budgetary accounting

The City follows these procedures in establishing the budgetary data presented in the financial statements:

1. On or before the fifteenth day of August, the City Manager submits to the City Council a proposed operating budget for the fiscal year then commencing. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. On or before September 30th, the budget is legally enacted through passage of a resolution
4. Budget amounts are presented as originally adopted or as amended by the City Council. Unused appropriations lapse at year-end. Any revisions altering the budgeted amounts of total expenditures of any fund must be approved by the City Council. The City Manager can amend the budget within existing appropriations. Supplemental appropriations approved by Council for the fiscal year ended September 30, 2024 totaled \$949,104. This included \$726,025 for Herald Court maintenance and \$223,079 for capital outlay.
5. Budgets for the CRA are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

#### IV. Detailed notes CRA

##### A. Cash and Investments

Deposits - The City's deposits policy allows deposits to be held in demand deposit and money market accounts. Florida Statutes require all depositories used by the City to be qualified financial institutions. All depositories used by the City are institutions designated as qualified depositories by the State Treasurer.

At September 30, 2024 the carrying amounts of the CRA's deposits were \$199,034 and the bank balances were \$208,824. The City's deposits are comprised of cash held in a financial institution. These deposits were entirely covered by federal depository insurance or by collateral pursuant to the Florida Security for Public Deposits Act (Florida Statutes Chapter 280).

Under this Act, financial institutions qualified as public depositories place with the State Board of Administration securities which have a fair value equal to 50% of the average daily balances for each month of all public deposits in excess of any applicable deposit insurance. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

Investments - Florida Statutes, the City's Investment Policy and various bond covenants authorize investments in money market accounts, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund Investment Pool administered by the Florida State Board of Administration, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. Certificates of deposit, savings accounts and bank balances whose value exceeds the amount of federal depository insurance are collateralized pursuant to the Florida Security for Public Deposits Act of the State of Florida. All financial institutions used by the City are institutions designated as qualified depositories by the State Treasurer.

**Interest Rate Risk, Credit Risk, Concentration of credit risk and Custodial Credit Risk.** The City holds no investments at this time.

The Local Government Surplus Funds Trust Fund is governed by Ch. 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration.

The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operations procedures consistent with the requirements for a 2a-7 fund.

Since 2a-7 like pools are similar to money market funds where shares are owned in the fund rather than the actual underlying investments, disclosures for foreign currency risk, custodial credit risk and concentration of credit risk are not applicable. For credit quality risk the State Pool is not rated by a nationally recognized statistical rating agency. The pool funds are reported by the City as cash equivalents.

IV. Detailed notes CRA, Continued

A. Cash and Investments, continued

Additionally, to comply with GASB Statement No. 79 requirements, Florida PRIME is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate as a qualifying external investment pool. Thus, this pool operates essentially as a money market fund. Florida PRIME has a Standard & Poor's rating of AAAM at September 30, 2024 and is measured at amortized cost. There are currently no limitations as to the frequency of redemptions; however, Florida PRIME has the ability to impose restrictions on withdrawals should a material event occur. Detailed information on the withdrawal restrictions that may be imposed and Florida PRIME's responsibilities should such an event occur is described in Section 218.409(8)(a), Florida Statutes. GASB Statement No. 79 amends GASB Statement No. 31, and the value of the pool is at amortized cost. The amount of the investment was \$1,769,017.

B. Capital assets

Capital assets activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Reclass/ Increases	Reclass/ Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 4,565,974	\$ 0	\$ (4,565,974)	\$ 0
Construction in progress	51,920	2,135	(54,055)	0
Total capital assets, not being depreciated	<u>4,617,894</u>	<u>2,135</u>	<u>(4,620,029)</u>	<u>0</u>
Capital assets, being depreciated:				
Buildings	13,349,189	0	(13,349,189)	0
Improvements other than buildings	4,084,063	0	(4,084,063)	0
Infrastructure	1,925,260	0	(1,925,260)	0
Vehicles and equipment	720,216	0	(720,216)	0
Total capital assets, being depreciated	<u>20,078,728</u>	<u>0</u>	<u>(20,078,728)</u>	<u>0</u>
Less accumulated depreciation for:				
Buildings	(4,970,088)	0	4,970,088	0
Improvements other than buildings	(3,180,302)	0	3,180,302	0
Infrastructure	(765,383)	0	765,383	0
Vehicles and equipment	(717,387)	0	717,387	0
Total accumulated depreciation	<u>(9,633,160)</u>	<u>0</u>	<u>9,633,160</u>	<u>0</u>
Total capital assets, being depreciated, net	<u>10,445,568</u>	<u>0</u>	<u>(10,445,568)</u>	<u>0</u>
Governmental activities capital assets, net	<u>\$ 15,063,462</u>	<u>\$ 2,135</u>	<u>\$(15,065,597)</u>	<u>\$ 0</u>

C. Long-Term Debt

No debt is currently outstanding as of September 30, 2024.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PUNTA GORDA COMMUNITY REDEVELOPMENT AGENCY**  
(a Component Unit of the City of Punta Gorda, Florida)  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**COMMUNITY REDEVELOPMENT AGENCY FUND**  
For the Fiscal Year Ended September 30, 2024

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 2,040,390	\$ 2,040,390	\$ 2,060,170	\$ 19,780
Miscellaneous	398,520	398,520	657,303	258,783
Total revenues	<u>2,438,910</u>	<u>2,438,910</u>	<u>2,717,473</u>	<u>278,563</u>
Expenditures				
Economic environment	396,295	1,136,406	294,501	841,905
Capital outlay	0	223,079	2,135	220,944
Debt service				
Principal retirement	8,179,000	8,179,000	8,179,000	0
Interest and fiscal charges	72,794	72,794	71,984	810
Total expenditures	<u>8,648,089</u>	<u>9,611,279</u>	<u>8,547,620</u>	<u>1,063,659</u>
Excess revenues over expenditures	<u>(6,209,179)</u>	<u>(7,172,369)</u>	<u>(5,830,147)</u>	<u>1,342,222</u>
Other financing sources (uses)				
General Govt Fund Contributions	1,306,520	1,306,520	1,306,704	184
Total other financing uses	<u>1,306,520</u>	<u>1,306,520</u>	<u>1,306,704</u>	<u>184</u>
Net change in fund balances	<u><u>\$(4,902,659)</u></u>	<u><u>\$(5,865,849)</u></u>	<u>(4,523,443)</u>	<u><u>\$ 1,342,406</u></u>
Fund balances, October 1, 2023			<u>6,756,334</u>	
Fund balances, September 30, 2024			<u><u>\$ 2,232,891</u></u>	

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

Honorable Board of City of Punta Gorda's  
Community Redevelopment Agency  
Punta Gorda, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General Fund of the City of Punta Gorda's Community Redevelopment Agency (the "CRA"), a component unit of the City of Punta Gorda, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated June 27, 2025.

**Internal Control over Financial Reporting**

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

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

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

*Ashley, Brown & Smith, CPA's*

Punta Gorda, Florida  
June 27, 2025



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## MANAGEMENT LETTER

Honorable Board of City of Punta Gorda's  
Community Redevelopment Agency  
Punta Gorda, Florida

### **Report of the Financial Statements**

We have audited the financial statements of the City of Punta Gorda's Community Redevelopment Agency (the "CRA"), a component unit of the City of Punta Gorda, Florida, as of and for the year ended September 30, 2024, and have issued our report thereon dated June 27, 2025.

### **Auditor's Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 21, 2024, 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 recommendations 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. The CRA discloses this information in the notes to the financial statements.

## **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us 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 recommendation 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 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.

## **Specific 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.

## Specific Information, Continued

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:
  - a. Laishley Park Phase II      Budget - \$275,000      Actual-\$2,135
- 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, is available at page 23 of the financial statements.

## 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 Board of the CRA, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Ashley, Brown & Smith, CPAs*

Punta Gorda, FL  
June 27, 2025



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## INDEPENDENT ACCOUNTANT'S REPORT

Honorable Board of City of Punta Gorda's  
Community Redevelopment Agency  
Punta Gorda, Florida

We have examined the City of Punta Gorda's Community Redevelopment Agency's (the "CRA") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, during the year ended September 30, 2024. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence 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 the 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 during the year ended September 30, 2024.

*Ashley, Brown & Smith, CPA's*

Punta Gorda, Florida  
June 27, 2025