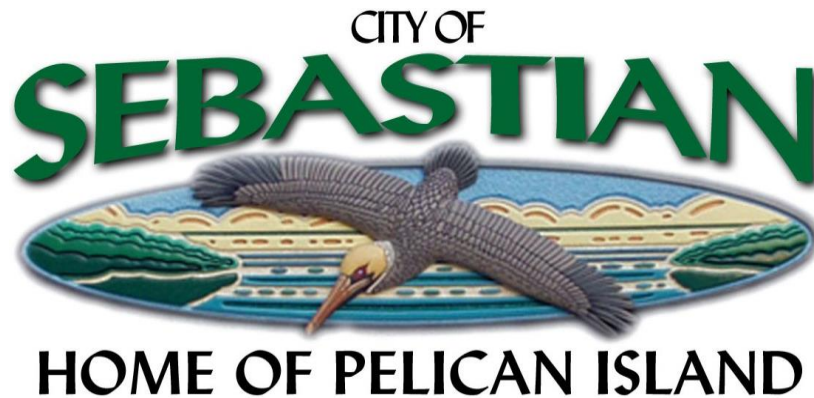


**RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBASTIAN)**



**BASIC FINANCIAL STATEMENTS
For the Year Ended September 30, 2024**

CITY COUNCIL

Fred Jones
Mayor

Christopher Nunn
Vice-Mayor

Ed Dodd
Council Member

Bob McPartlan
Council Member

Kelly Dixon
Council Member

Prepared by: Administrative Services Department

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)**

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September 30, 2024**

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CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.

7506 Lynx Way

Suite 201

Melbourne, FL 32940

321.255.0088

386.336.4189 (fax)

CRIadv.com

INDEPENDENT AUDITOR’S REPORT

To the Honorable Mayor and Board Members
City of Sebastian Riverfront Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the City of Sebastian Riverfront Community Redevelopment Agency (the “Agency”), a component unit of the City of Sebastian, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency’s basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-10, and the budgetary comparison information on pages 32-33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Carr, Riggis & Ingram, L.L.C.

Melbourne, Florida

March 31, 2025

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Riverfront Community Redevelopment Agency (A Component Unit of the City of Sebastian) Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) of the City of Sebastian Riverfront Community Redevelopment Agency (the "CRA") is designed to provide an objective and easy to read analysis of the financial activities for the fiscal year ended September 30, 2024 based on currently known facts, decisions, and conditions. The MD&A provides a broad overview, short-term and long-term analysis of the CRA's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the CRA's financial activity and identify changes in the CRA's financial position and its ability to address the next year's challenges. Finally, the MD&A will identify any material deviations from the approved budget.

The City of Sebastian Riverfront Community Redevelopment Agency was created in March 1995 by the City of Sebastian City Council under Chapter 163, Part III, of the Florida Statutes. The CRA is a dependent special district and a component unit of the City of Sebastian, Florida (the "City"). The primary function of the CRA, under the Redevelopment Plan, is to ensure that the downtown and surrounding vicinity are developed with a coherent community vision, and to encourage reinvestment within the CRA area. The City Council serves as the Riverfront Community Redevelopment CRA's Board and performs the legislative and governing duties and responsibilities of the Agency. The Community Development Director performs the day-to-day administrative duties under the oversight and supervision of the City Manager.

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

The information contained in this MD&A is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and required supplementary information provided.

Financial Highlights

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$2,904,447 (*net position*).
- The CRA's total net position increased by \$157,327 from fiscal year 2023-2024 activities.
- The CRA's property tax revenues increased slightly in fiscal year 2023-2024 compared to fiscal year 2022-2023 due to an increase in property values for the current year.

Overview of the Financial Statements

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

Government-wide financial statements.

The CRA's government-wide financial statements provide readers with a broad overview of the CRA's finances in a manner similar to private-sector business. In addition, the government-wide statements are prepared using the accrual basis of accounting. The Statement of Net Position presents

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Management's Discussion and Analysis**

information on the CRA's assets and liabilities, with the difference between them reported as net position.

The *Statement of Activities* (operating statement) presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in revenues are reported as soon as the underlying events giving rise to the change occur regardless of the timing of related cash flows. The expenses are reported as incurred. Therefore, revenue and expenses for some items will only result in cash inflows/outflows in future fiscal periods.

The CRA's government-wide financial statements present functions of the CRA that are principally supported by tax increment financing (governmental activities). The governmental activities of the CRA include economic environment. The CRA has no business-type activities.

Fund Financial Statements

The governmental fund financial statements provide readers with an overview of each fund and its related function in a traditional format. A fund is a grouping of related accounts that maintain control over resources that are segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements.

Governmental funds

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

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

The CRA adopts an annual appropriated budget. Budgetary comparison schedules provided demonstrate compliance with the budget and provides an analysis of significant budgetary variances (both original budget versus the final amended budget, if applicable).

The CRA's governmental fund financial statements can be found on pages 15-18 of this report.

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Management's Discussion and Analysis**

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-29 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the CRA's budgetary compliance. The required supplementary information can be found on pages 33-34 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of an Agency's financial position. In the case of the CRA, assets exceeded liabilities by \$2,904,447 at the close of the most recent fiscal year.

The following table reflects the condensed statement of net position:

Summary of Net Position

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Assets		
Current assets	\$ 1,135,763	\$ 909,682
Capital assets, net of depreication	1,769,875	1,857,835
Total assets	2,905,638	2,767,517
Liabilities		
Current liabilities	1,191	3,326
Deferred inflows	-	17,071
Investment in capital assets	1,769,875	1,857,835
Restricted	1,134,572	889,285
Total net position	\$ 2,904,447	\$ 2,747,120

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Management's Discussion and Analysis**

Statement of Activities

The following table reflects the Statement of Activities for the current and prior year:

	Governmental Activities	
	Change in Net Position	
	2024	2023
Revenues		
Program revenues		
Charges for services	\$ 23,739	\$ 35,701
General revenues		
Property taxes	471,967	435,094
Investment income	26,362	18,989
Total revenues	522,068	489,784
 Expense		
Economic environment	317,431	338,742
Total expense	317,431	338,742
 Change in net position, before transfers	204,637	151,042
Transfers	(47,310)	(13,550)
Change in net position	157,327	137,492
Net position, beginning of year	2,747,120	2,609,628
Net position, end of year	\$ 2,904,447	\$ 2,747,120

Financial Analysis of Governmental Funds

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The CRA's property tax revenues increased slightly in fiscal year 2023-2024 compared to fiscal year 2022-2023 due to an increase in the property values for the current year. The decline in economic environment was due to lower maintenance expense in the current year.

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

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Management's Discussion and Analysis**

Budgetary Highlights

The following is a brief review of the budget changes from the original to the final amended budget, and a review of the final amended budget and actual amounts (presented on a budgetary basis). A detailed budgetary comparison schedule of the CRA's is included on page 33 of the RSI section.

The variance between the final budget and the actual results reflects total revenues of \$21,853 more than appropriated and total expenditures of \$63,850 less than appropriated. Transfers out to the Primary Government were \$127,273 less than budgeted. These factors caused the change in fund balance to be \$212,976 higher than budgeted.

Capital Assets and Debt Administration

Capital assets. The CRA's capital assets for governmental activities as of September 30, 2024 total \$1,769,875 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

	Governmental Activities	
	2024	2023
Land	\$ 1,102,174	\$ 1,102,174
Buildings	343,820	343,820
Improvements other than buildings	10,635	10,635
Machinery and equipment	240,417	240,417
Infrastructure	1,145,687	1,145,687
Subtotal	2,842,733	2,842,733
Less accumulated depreciation	(1,072,858)	(984,898)
Total	\$ 1,769,875	\$ 1,857,835

Additional information on the CRA's capital assets can be found in Note 4 on page 28 of this report.

Long-term debt. At the end of the current fiscal year, the CRA had no debt outstanding.

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the CRA and were considered in developing the 2023-2024 fiscal year budget.

- As of September 2024, the unemployment rate in the United States was 4.1%. For the State of Florida, unemployment was 3.4%, an increase of 0.60% a year earlier. For Indian River County, the unemployment rate was 4.3% as reported by the Bureau of Labor Statistics, Local Area Unemployment Statistics. The unemployment rate for Indian River County has historically been higher than the national and state rate, which is expected to continue.

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Management's Discussion and Analysis**

- The millage rate for the City of Sebastian used in the calculation of the tax increment payment to the CRA was 3.1955 for fiscal year 2023–2024, an increase from the fiscal year 2022–2023 millage rate of 2.9050. The millage rate for Indian River County used in the calculation of the increment payment to the CRA was unchanged from fiscal year 2020-2021 at 3.5475. The millage rate of the City of Sebastian was unchanged from the fiscal year 2023-2024 at 3.1955.

All of these factors were considered in preparing the CRA’s budget for the fiscal year ending September 30, 2024.

Requests for Information

This financial report is designed to provide a general overview of the CRA’s finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Sebastian, Attention: Finance Department 1225 Main Street, Sebastian, Florida 32958.

BASIC FINANCIAL STATEMENTS

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**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Statement of Net Position – Government-wide**

<i>September 30, 2024</i>	Governmental Activities
ASSETS	
Current assets	
Cash and cash equivalents	\$ 995,006
Investments	139,975
Accounts receivable	24
Prepaid items	758
Total current assets	1,135,763
Noncurrent assets	
Capital assets, net of depreciation	1,769,875
Total assets	2,905,638
LIABILITIES	
Accounts payable	1,191
Total liabilities	1,191
NET POSITION	
Investment in capital assets	1,769,875
Restricted for Community Redevelopment Agency	1,134,572
Total net position	\$ 2,904,447

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

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Statement of Activities – Government-wide**

For the year ended September 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Capital Grants and Contributions	
Primary Government				
Governmental activities:				
Economic environment	\$ 317,431	\$ 23,739	\$ -	\$ (293,692)
Total governmental activities	\$ 317,431	\$ 23,739	\$ -	\$ (293,692)

General revenues:	
Property taxes	471,967
Investment income	26,362
Transfers	(47,310)
Total general revenues	451,019
Change in net position	157,327
Net position, beginning of year	2,747,120
Net position, end of year	\$ 2,904,447

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

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Balance Sheet – Governmental Fund**

<i>September 30, 2024</i>	Community Redevelopment Agency
ASSETS	
Cash and cash equivalents	\$ 995,006
Investments	139,975
Receivables, net	24
Prepaid items	758
Total assets	\$ 1,135,763
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 1,191
Fund balance:	
Nonspendable for:	
Prepaid assets	758
Restricted for:	
Community development	1,133,814
Total fund balances	1,134,572
Total liabilities and fund balances	\$ 1,135,763

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

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Reconciliation of the Balance Sheet of the Governmental Fund
to the Statement of Net Position**

For the year ended September 30, 2024

Fund balance - governmental fund	\$	1,134,572
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$	2,842,733
Less accumulated depreciation		<u>(1,072,858)</u>
		1,769,875
Net position of governmental activities	\$	2,904,447

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

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Fund**

	Community Redevelopment Agency
<i>For the year ended September 30, 2024</i>	
<hr/>	
Revenues	
Property taxes	\$ 471,967
Rental income	23,739
Investment income	26,362
<hr/> Total revenues	<hr/> 522,068
Expenditures	
Current:	
Economic environment	229,471
<hr/> Total expenditures	<hr/> 229,471
Excess of revenues over expenditures	292,597
Other financing sources (uses)	
Transfers out to the Primary Government	(47,310)
<hr/>	
Net change in fund balances	245,287
Fund balance, beginning	889,285
<hr/> Fund balance, ending	<hr/> \$ 1,134,572

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

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund
Balance of the Governmental Fund to the Statement of Activities**

For the year ended September 30, 2024

Net change in fund balance - governmental fund **\$ 245,287**

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

The governmental fund reports capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over their
estimated useful lives as depreciation expense. This is the amount by which
depreciation expense exceeds capital outlay in the current period. **(87,960)**

Change in net position of governmental activities **\$ 157,327**

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

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The *City of Sebastian Riverfront Community Redevelopment Agency* (the "Agency") is a component unit of the City of Sebastian (the "City" or "Primary Government") and was formally established in March, 1995, with the adoption of Ordinance No 0-95-08 by the Sebastian City Council, as provided for in Section 163.356, Florida Statutes. In 1995, the Riverfront Community Redevelopment Plan was adopted and the Riverfront CRA Trust Fund was established. The boundary was expanded in 2003, as well as the Redevelopment Plan. The Redevelopment Plan was again updated in 2010. Although legally separate, the five (5) members of the City Council serve as the CRA Board and City management has operational responsibility for the CRA.

The financial statements of the Agency have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Agency's accounting policies are described below.

Reporting Entity

The CRA has adopted GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, for the purpose of evaluating whether it has any component units. Based on the criteria therein, the Agency has determined that there are no component units that meet the criteria for inclusion in the Agency's financial statements. The Board of the Agency (the "Board") is governed by the five members of the City Council. Management of the City has operational responsibility for the Agency. The City is considered to be financially accountable for the Agency; the Agency is considered to be a blended component unit in the City's annual comprehensive financial report.

Government-Wide and Fund Financial Statements

The Agency's basic financial statements include both the government-wide (reporting the Agency as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as governmental.

The government-wide Statement of net position presents in columnar format the governmental activities of the Agency and reflects, on the full accrual basis, all long-term assets and receivables as well as long-term liabilities.

The government-wide statement of activities presents the direct cost for each functional activity and applies program revenues to arrive at a net cost for the identified functions. There are no indirect costs for allocation. Program revenues must be directly associated with the government function. The overall combined net costs of governmental functions are further supported by general revenues of the Agency.

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds. A reconciliation is provided which briefly explains adjustments necessary to reconcile the results of governmental fund accounting to the government-wide presentations.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for expenditure-driven grants which must be collected within one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, rental income, and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such 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 government.

Assets, Liabilities, and Equity

Cash and Cash Equivalents

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

Investments

Deposits available within various funds of the Primary Government were consolidated for investment purposes. Substantially all deposits of the Primary Government at September 30, 2024, were invested using the pooled investment concept. Interest earned was allocated monthly to the Agency based on its month ending cash and investment balances in proportion to the total held by Primary Government.

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

Investments (Continued)

Investments for the Agency are reported at amortized cost for the position in the State Board of Administration (“SBA”) Local Government Surplus Trust Fund (Florida PRIME) external investment pool. The SBA Local Government Surplus Trust Fund external investment pool meets all of the specified criteria in Section 150: Investments of the GASB Codification to qualify to elect to measure its investments at amortized cost. Accordingly, the fair value of the Agency’s position in the pool is equal to the value of pooled shares.

The Agency is empowered by statute to invest in the following instruments and may divest itself of such investments, at prevailing market prices or rates subject to the limitations of Section 218.415 – a) the Local Government Surplus Funds Trust Fund, administered by the Florida State Board of Administration or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01, Florida Statutes; b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; c) savings accounts in state-certified qualified public depositories, as defined in Florida Statute 280.02; d) certificates of deposits and Repurchased Agreements in state-certified qualified public depositories, as defined in Florida Statute 280.02; e) direct obligation of the U.S. Treasury; and f) Federal agencies and instrumentalities.

Banks and savings and loans in which Agency funds are deposited must be classified as a qualified public depository as defined in the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes, before any deposits are made with those institutions.

Capital Assets

Capital assets, which include land, building, improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the governmental activities column in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of one year. Such assets are recorded at historical cost, if purchased, and at estimated acquisition cost at date of gift, if donated. Major additions are capitalized while maintenance and repairs that do not improve or extend the life of the respective assets are expensed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

Capital Assets (Continued)

Capital assets, aside from land, are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	10 - 40
Improvements other than buildings	10 - 40
Machinery, equipment and other	5 - 15
Infrastructure	15-50

Interfund Activities and Transactions

Interfund transactions (transactions between the Agency and the Primary Government) are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers.

Categories and Classification of Net Position and Fund Balance

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

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

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

Categories and Classification of Net Position and Fund Balance (Continued)

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

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

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (inventories, prepaid expenditures) and items such as the long-term amount of interfund advances to the Primary Government, property acquired for resale, as well as unrealized gains.

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

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

Assigned Fund Balance – Amounts in the assigned fund balance classification are intended to be used by the Agency for specific purposes but do not meet the criteria to be classified as committed. The authority to assign fund balance lies with the Agency Board and may occur through the budget process or formal action. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

Categories and Classification of Net Position and Fund Balance (Continued)

Restricted amounts shall be spent first unless there are legal documents/contracts prohibiting this, such as grant agreements. Further, the order of priority shall be Committed Fund Balance, followed by Assigned Fund Balance, and then Unassigned Fund Balance when expenditures are incurred for purposes for which amounts in any of the classifications could be used.

Revenue

The Agency's primary source of revenue is tax-increment financing ("TIF") payments. This revenue is computed by applying the respective operating tax rates for the City and the County multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency in excess of the base property value, minus 5%. Assessed values are established by the Indian River County Property Appraiser.

Budgetary information

The budget is prepared annually on a modified accrual basis with encumbrance accounting. All annual appropriations lapse at year end.

On or before the third Friday in May of each year, the CRA submits a request for appropriations to the City's City Manager so that a budget may be prepared. Before July 31, the proposed budget is presented to the Agency Board for review. The City council holds budget workshops and public hearings and a final budget must be prepared and adopted no later than September 30.

Actual results of operations presented in accordance with U.S. generally accepted accounting principles (GAAP basis) and the Agency's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred.

Use of Estimates

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

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, March 31, 2025, and determined there were no events that occurred that required disclosure.

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

Recently Issued and Implemented Accounting Pronouncements

The CRA implemented the following standards during the current year.

GASB Statement No. 100, Accounting Changes and Error Corrections, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting the beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in the accounting principle or error corrections should be presented in the required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. There was no impact on the financial statements.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 101, Compensated Absences, the objective of this Statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirement of this Statement is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The City is evaluating the requirements of the above statements and the impact on reporting.

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 2: EQUITY IN POOLED CASH AND INVESTMENTS

The Agency reported equity in pooled cash and investments of the City of Sebastian, Florida of \$1,134,981 on the statement of net position as of September 30, 2024. The pooled cash and investments are held by the City of Sebastian, Florida. Specific deposit and investment accounts are not held in the name of the Agency. The amount of federal depositary insurance and custodial credit risk of investments is determined for the City of Sebastian, Florida as a whole, and cannot be separately identified for the Agency.

The investment program is established in accordance with the City's investment policy, pertinent bond resolutions and Section 218.45, Florida Statutes, which allows the Agency to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

The SBA Local Government Surplus Trust Fund (Florida PRIME) external investment pool is a common law trust organized under the laws of the State of Florida as an intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes. At September 30, 2024, the Agency's share of The SBA Local Government Surplus Trust Fund was \$139,975.

Under GASB Codification 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the Agency's access to 100 percent of their account value in the external investment pool.

Deposits available within various funds of the Primary Government were consolidated for investment purposes. Interest earned was allocated monthly to the Agency's fund based on its average cash and investment balances in relation to the total held by the Primary Government.

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

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 2: EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The Agency’s investment policy limits interest rate risk by requiring that an attempt be made to match investment maturities with known cash needs and anticipated cash flow requirements. In addition, investments of current operating funds are required to have maturities of no longer than twelve months.

The dollar weighted average days to maturity (WAM) for the SBA Local Government Surplus Trust Fund is 35 days at September 30, 2024.

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The Agency’s investment policy and the investment policy for the City, limit investments to securities with specific ranking criteria.

Foreign currency risk – The Agency’s investments are not exposed to foreign currency risk and the Agency’s investment policy does not address foreign currency risk.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The Agency’s investment policy does not address concentration risk.

At September 30, 2024, the Agency had the following investments:

Investment type	Amortized Cost	Less than 1	1-5	6-10	More than 10	Rating	Agency
<u>General investments</u>							
Local government surplus funds trust fund ("SBA")	\$ 139,975	\$ 139,975	\$ -	\$ -	\$ -	AAAm	S&P
<u>Total primary government investments</u>	<u>\$ 139,975</u>	<u>\$ 139,975</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 3: CHANGE IN CAPITAL ASSETS

The Agency capital asset activities for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 1,102,174	\$ -	\$ -	\$ 1,102,174
Total capital assets, not being depreciated	1,102,174	-	-	1,102,174
Capital assets, being depreciated:				
Buildings	343,820	-	-	343,820
Improvements other than buildings	10,635	-	-	10,635
Machinery and equipment	240,417	-	-	240,417
Infrastructure	1,145,687	-	-	1,145,687
Total capital assets being depreciated	1,740,559	-	-	1,740,559
Less accumulated depreciation for:				
Buildings	(192,125)	(14,789)	-	(206,914)
Improvements other than buildings	(7,902)	(457)	-	(8,359)
Machinery and equipment	(156,330)	(7,722)	-	(164,052)
Infrastructure	(628,541)	(64,992)	-	(693,533)
Total accumulated depreciation	(984,898)	(87,960)	-	(1,072,858)
Total capital assets being depreciated, net	755,661	(87,960)	-	667,701
Governmental activities capital assets, net	\$ 1,857,835	\$ (87,960)	\$ -	\$ 1,769,875

Note 4: LEASES

The Agency is the lessor of a building, and recognized \$17,071 in principle revenue and \$524 in interest revenue during the year ended September 30, 2024. This lease ended in March 2024, therefore there are no remaining lease receivables or deferred inflows at September 30, 2024.

City of Sebastian
Riverfront Community Redevelopment Agency
Notes to the Financial Statements

Note 5: TRANSFERS

Transfers for the year ended September 30, 2024:

	Transfers in:	
	Primary Government	Total
Transfers out:		
Community Redevelopment Agency	\$ 47,310	\$ 47,310

Note 6: RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of or damage to and destruction of assets; and natural disasters. The Primary Government purchases commercial insurance with various deductibles for different types of losses.

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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Schedule of Revenues, Expenditures and Changes in Fund Balances — Budget
and Actual**

<i>For the year ended September 30, 2024</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Property taxes	\$ 471,765	\$ 471,765	\$ 471,967	\$ 202
Rental income	16,500	16,500	23,739	7,239
Investment income	11,950	11,950	26,362	14,412
Total revenues	500,215	500,215	522,068	21,853
Expenditures				
Current:				
Economic environment	261,370	293,321	229,471	63,850
Total expenditures	261,370	293,321	229,471	63,850
Excess of revenues over expenditures	238,845	206,894	292,597	85,703
Other financing sources (uses)				
Transfers out to Primary Government	(60,000)	(174,583)	(47,310)	127,273
Net changes in fund balance	178,845	32,311	245,287	212,976
Fund balance, beginning of year	889,285	889,285	889,285	-
Fund balance, end of year	\$ 1,068,130	\$ 921,596	\$ 1,134,572	\$ 212,976

**Riverfront Community Redevelopment Agency
(A Component Unit of the City of Sebastian)
Notes to Required Supplementary Information**

Note 1: BUDGETARY INFORMATION

An annual operating budget is adopted by the Agency's Board on an accrual basis consistent with U.S. generally accepted accounting principles.

Budgets are adopted by the Agency's Board pursuant to state law.

The City Manager may, at any time, transfer appropriation amounts between line items, expenditure classifications, and departments without formal approval by the Agency Board.

However, any revisions that increase the total appropriations at the fund level, the legal level of budgetary control, of the Agency must be approved through amendment by the Agency Board.



CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.

7506 Lynx Way

Suite 201

Melbourne, FL 32940

321.255.0088

386.336.4189 (fax)

CRladv.com

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

Honorable Chairman and Board Members
City of Sebastian Riverfront Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sebastian Riverfront Community Redevelopment Agency (the “Agency”), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency’s basic financial statements, and have issued our report thereon dated March 31, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 31, 2025



CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
7506 Lynx Way
Suite 201
Melbourne, FL 32940

321.255.0088
386.336.4189 (fax)
CRladv.com

INDEPENDENT AUDITOR’S MANAGEMENT LETTER

Honorable Chairman and Board Members
City of Sebastian Riverfront Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the City of Sebastian Riverfront Community Redevelopment Agency (the “Agency”) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 31, 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(s) 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 March 31, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The status of each finding and recommendations made in the preceding financial audit report is noted below.

Original No.	Description	Status
2023-001	Review of Property Tax Receipts	Cleared

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the Agency is disclosed in the notes to the financial statements. There are no component units of the Agency.

Financial Condition and Management

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

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

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

Specific Information (Unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Agency reported the information below. This information has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

- | | |
|---|-------------|
| a. Total number of Agency employees compensated in the last pay period of the Agency's fiscal year. | None |
| b. Total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year. | None |
| c. All compensation earned by or awarded to employees, whether paid or accrued. | None |
| d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued. | None |
| e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1, 2022, together with the total expenditures for such project. | None |

As required by Section 218.39(3)(c), Florida Statutes, Section 10.554(1)(i)8, Rules of the Auditor General, the City of Sebastian Riverfront Community Redevelopment Agency reported:

- a. The millage rate or rates imposed by the County and City.

Indian River County	3.5475
City of Sebastian	3.1955

- b. The total amount of ad valorem taxes collected on behalf of the Agency. **\$ 471,967**

- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds. **None**

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General: The Agency has not imposed any special assessments and therefore no reporting is required by Section 218.39(3)(c), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has 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, State and other granting agencies, the Agency Board Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 31, 2025

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CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.

7506 Lynx Way
Suite 201
Melbourne, FL 32940

321.255.0088
386.336.4189 (fax)
CRLadv.com

INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

Honorable Chairman and Board Members
City of Sebastian Riverfront Community Redevelopment Agency

We have examined the City of Sebastian Riverfront Community Redevelopment Agency’s (the “Agency”) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency’s compliance with those requirements. Our responsibility is to express an opinion on the Agency’s compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 31, 2025

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CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
7506 Lynx Way
Suite 201
Melbourne, FL 32940

321.255.0088
386.336.4189 (fax)
CRLadv.com

INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH REDEVELOPMENT TRUST FUND

The Honorable Chairman and Board Members
City of Sebastian Riverfront Community Redevelopment Agency

We have examined the City of Sebastian Riverfront Community Redevelopment Agency’s (the “Agency”) compliance with the requirements of Section 163.387(6) and (7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency’s compliance with the specified requirements. Our responsibility is to express an opinion on the Agency’s compliance with the specified requirements based on our examination.

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

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

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

Our examination disclosed the following noncompliance with Section 163.387(6)(b), Florida Statutes applicable to the Agency during the fiscal year ended September 30, 2024. The Agency did not submit its annual budget for fiscal year 2024 to the Indian River County Board of County Commissioners within 10 days after the adoption of such budget or send any amendments.

In our opinion, the CRA complied, with the requirements of Sections 163.387(6) and 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024, in all material respects, except as noted in the paragraph above.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 31, 2025