



**Community Redevelopment Agency
City of Groveland, Florida
FINANCIAL STATEMENTS
Year Ended September 30, 2024**



Groveland Community Redevelopment Agency
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September 30, 2024



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Groveland Community Redevelopment Agency

Agency Officials

As of September 30, 2024

COMMUNITY REDEVELOPMENT
AGENCY GOVERNING BOARD

Evelyn Wilson, Chair

Mike Radzik, Vice Chair

Barbara Gaines, Member

Richard Skyzinski, Member

Dina Sweatt, Member

Randolph Waite, Member

Matthew Baumann, Member

Doug Shields, Lake County Commissioner and Ex-Officio CRA Board Member

CRA STAFF

Michael Hein, City Manager

Anita Geraci-Carver, Esq, City Attorney

Brooke Worthington, CRA & Economic Development Division Manager

Timothy Maslow, Community Development Director

Kailey Albritton, CRA Coordinator

Maria Ramirez, Executive Assistant to Director of Community & Economic Development

Chief Shawn Ramsey, Sergeant-at-Arms

Ciara Bender, Recording Secretary



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INDEPENDENT AUDITOR'S REPORT

The Honorable Chair and Board Members
Groveland Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of the Groveland Community Redevelopment Agency (the "Agency"), a blended component unit of the City of Groveland, 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 major fund of the Agency, as of September 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2026] 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

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

Melbourne, Florida
January 9, 2026



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Groveland Community Redevelopment Agency Management's Discussion and Analysis

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

FINANCIAL HIGHLIGHTS

- Total assets and liabilities of the Agency as of September 30, 2024, were \$1,273,968 and \$105,290, respectively.
- Entity-wide total revenues of \$1,286,315 consist of \$574,174 and \$30,905 of property taxes assessed, collected, and remitted directly by Lake County and the Lake County Water Authority respectively, \$578,147 in transferred tax incremental funding collected by the City, \$70,967 in investment income, and \$32,122 in miscellaneous revenues. Total expenses were \$1,050,373 (including transfers to the primary government).
- The assets of the Agency exceeded its liabilities at the close of the most recent fiscal year by \$1,168,678 (net position). As required by Florida Statutes, this entire amount is restricted for the purpose of fulfilling the Agency's Community Redevelopment Plan.
- The Agency's total net position increased by \$235,942 or 25% in the current year operations. This is the result of the Agency's plan to accumulate resources for larger capital projects along with timing on the construction phase for the FY 2024 planned capital projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

Groveland Community Redevelopment Agency Management's Discussion and Analysis

Both of the entity-wide financial statements present functions of the Agency from a programmatic perspective. All assets, liabilities, and activities are governmental in nature. The activities of the Agency include general government and planning and development.

The entity-wide financial statements can be found on pages 13 and 14 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency is classified as a governmental fund, in that it is almost entirely supported by taxpayer revenues.

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

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

The City adopts an annual appropriated budget for the CRA. A budgetary comparison schedule has been provided for the Agency to demonstrate compliance with the budget and is presented as required supplementary information. The governmental fund financial statements can be found on pages 15 and 16 of this report.

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

The notes to the financial statements can be found on pages 17 through 29 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as budgetary comparison information. The required supplementary information can be found on pages 33 and 34 of this report.

Groveland Community Redevelopment Agency Management's Discussion and Analysis

ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the Agency, assets exceeded liabilities by \$1,168,678 at September 30, 2024.

	Statement of Net Position	
	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Assets:		
Cash and cash equivalents	\$ 1,165,955	\$ 797,606
Investments	84,875	124,530
Accounts Receivable	2,743	124
Prepaid items	395	890
Loan receivable	20,000	30,000
Total assets	1,273,968	953,150
Liabilities:		
Accounts payable	101,505	17,756
Accrued liabilities	3,785	1,841
Due to other funds	-	817
Total liabilities	105,290	20,414
Net Position:		
Restricted for:		
Economic development	1,168,678	932,736
Total net position	\$ 1,168,678	\$ 932,736

This restriction is internal and external, as it is a requirement of Florida State Statutes, as well as enacted by a specific resolution of the Board. The restricted net position increased by \$235,942 in Fiscal Year 2024.

Groveland Community Redevelopment Agency Management's Discussion and Analysis

Statement of Activities		
Governmental Activities		
	<u>2024</u>	<u>2023</u>
Revenues:		
General Revenues:		
Property taxes	\$ 1,183,226	\$ 931,667
Investment Income	70,967	20,686
Miscellaneous	32,122	28,500
Total revenues	<u>1,286,315</u>	<u>980,853</u>
Expenses:		
Economic development	917,229	411,376
Total expenses	<u>917,229</u>	<u>411,376</u>
Increase (decrease) in net position before transfers	369,086	569,477
Transfers	<u>(133,144)</u>	<u>(154,144)</u>
Change in net position	235,942	415,333
Net position, October 1	<u>932,736</u>	<u>517,403</u>
Net position, September 30	<u>\$ 1,168,678</u>	<u>\$ 932,736</u>

Governmental activities. The Agency's revenues increased by \$305,462 or 31% when compared to the prior year. Property taxes and transferred tax incremental revenues increased by \$251,559 due to higher increment values and an increased City millage rate, the investment income increased \$50,281 due to market conditions and miscellaneous revenue had a slight increase of \$3,622 due to increased building activity.

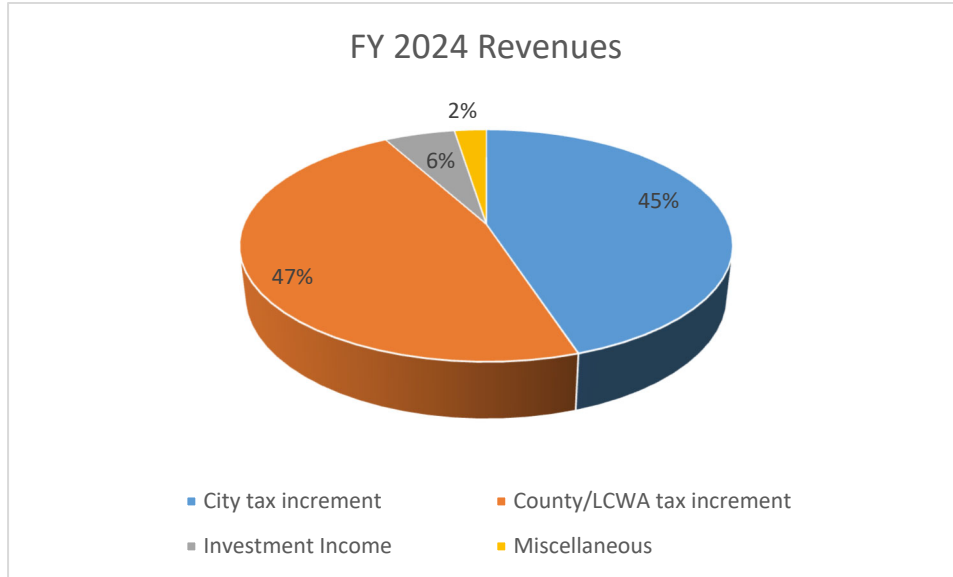
The Agency's expenditures increased as well when compared to the prior year. Expenditures were \$505,853 more than the prior year with the largest increases related to Streetscape Phase 2 and Dark Sky lighting projects completed in FY 2024.

The Agency's transfers included \$133,144 for a partial contribution to the funding for a portion of the debt for the Florida Department of Transportation / State Road 50 Right of Way acquisition.

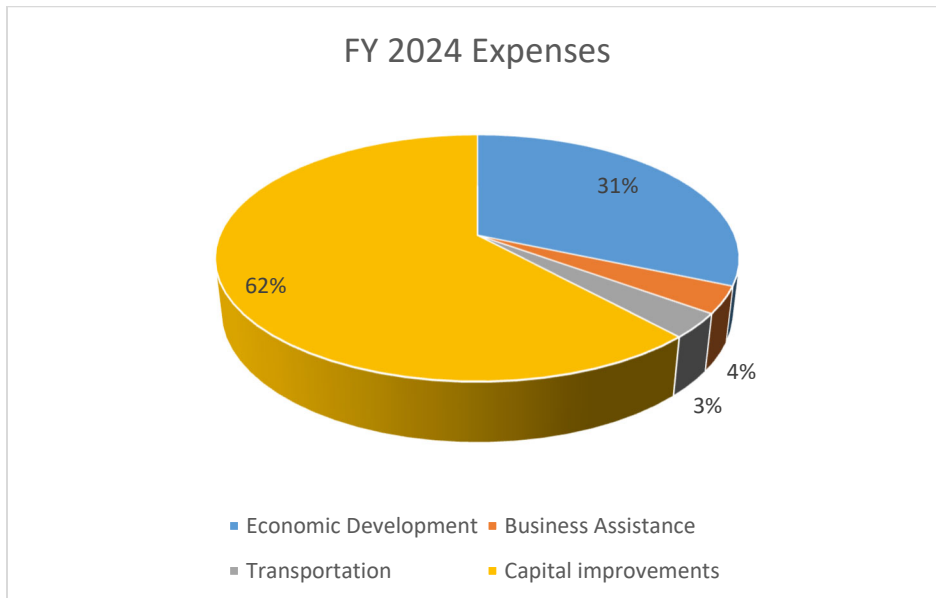
Groveland Community Redevelopment Agency Management's Discussion and Analysis

The following graphs depict the composition of the Agency's revenues and expenses.

Revenue by Source - Governmental Activities as a Percentage of Total Revenues



Expenses by Program – Governmental Activities as a Percentage of Total Expenses



Groveland Community Redevelopment Agency Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE FUND

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

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

In its 22nd year of existence, the Agency's fund balance increased by \$235,942. The revenues for this fund are derived from the additional tax revenue generated by new construction and improvements in taxable assessed values, as the Agency is continuing to implement plans and improvements to the area. This was the second year of the expanded CRA boundary. An allocation of \$578,147, consisting of taxes generated by the "incremental" growth between the current value and the base year value, was made from the City of Groveland's General Fund to the Agency. Additional tax increment fees of \$605,079 were assessed, collected, and remitted to the Agency by the Lake County Board of County Commissioners and the Lake County Water Authority.

During the current year, the Agency expended \$288,840 on administration and economic development activities; \$32,057 on business assistance; and \$596,332 on capital outlay and transportation, which consisted primarily of streetscape improvements including dark sky lighting.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The Agency's investments in capital assets are transferred to the City of Groveland, as the Agency's enabling legislation and Plan do not facilitate the care, maintenance, and ownership of capital assets. This investment in capital assets includes land, buildings, improvements, and infrastructure in designated areas of the City of Groveland which have been specifically identified for redevelopment initiatives.

Long-term debt. The Agency has no direct debt but is contributing funds for a portion of the debt for the Florida Department of Transportation / State Road 50 Right of Way acquisition.

Questions about this report or requests for additional financial information should be addressed to: City of Groveland, Attention Finance Director, 156 S. Lake Avenue, Groveland, Florida 34736.

REQUESTS FOR INFORMATION

Questions about this report or requests for additional financial information should be addressed to:

City of Groveland
Attention: Finance Director
156 S. Lake Avenue
Groveland, FL 34736
352-429-2141



GROVELAND COMMUNITY REDEVELOPMENT AGENCY
Basic Financial Statements



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**Groveland Community Redevelopment Agency
Statement of Net Position - Government-wide**

<i>September 30, 2024</i>	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,165,955
Investments	84,875
Accounts receivable	2,743
Prepaid expenses	395
Loan receivable	20,000
Total assets	\$ 1,273,968
LIABILITIES	
Accounts payable	\$ 101,505
Accrued payroll and related liabilities	3,785
Total liabilities	105,290
NET POSITION	
Restricted for:	
Economic development	1,168,678
Total net position	1,168,678
Total liabilities and net position	\$ 1,273,968

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

Groveland Community Redevelopment Agency Statement of Activities – Government-wide

For the year ended September 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
Transportation	\$ 556,759	\$ -	\$ -	\$ -	(556,759)
Economic development	357,197	-	-	-	(357,197)
Culture and recreation	3,273	-	-	-	(3,273)
Total governmental activities	917,229	-	-	-	(917,229)
Total primary government	\$ 917,229	\$ -	\$ -	\$ -	(917,229)
General revenues and transfers:					
Taxes:					
Property taxes, levied for general purposes					1,183,226
Miscellaneous					103,089
Transfers, net					(133,144)
Total general revenues					1,153,171
Change in net position					235,942
Net position, beginning of year					932,736
Net position, end of year				\$	1,168,678

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

**Groveland Community Redevelopment Agency
Balance Sheet - Governmental Fund**

<i>As of September 30, 2024</i>	Community Redevelopment Agency
ASSETS	
Cash and cash equivalents	\$ 1,165,955
Investments	84,875
Accounts receivable	2,743
Prepaid expenses	395
Loan receivable	20,000
Total assets	\$ 1,273,968
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 101,505
Accrued payroll and related liabilities	3,785
Total liabilities	105,290
Fund balance:	
Nonspendable	20,395
Restricted	
Economic development	1,148,283
Total fund balance	1,168,678
Total liabilities and fund balance	\$ 1,273,968

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

**Groveland Community Redevelopment Agency
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund**

	Community Redevelopment Agency
<i>For the year ended September 30, 2024</i>	
Revenues	
Property taxes	\$ 1,183,226
Investment income	70,967
Miscellaneous revenue	32,122
Total revenues	1,286,315
Expenditures	
Current:	
Transportation	29,469
Economic development	320,897
Capital outlay	566,863
Total expenditures	917,229
Excess (deficiency) of revenues over (under) expenditures	369,086
Other financing sources (uses)	
Transfers out	(133,144)
Net other financing sources (uses)	(133,144)
Net change in fund balance	235,942
Fund balance, beginning of year	932,736
Fund balance, end of year	\$ 1,168,678

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

Groveland Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

The Groveland Community Redevelopment Agency (the “CRA” and “Agency”), a component unit of the City of Groveland, was established to guide redevelopment activities in order to build a vibrant and attractive downtown of the Community Redevelopment Area (the “Area”). The original Groveland Community Redevelopment Area was established in Resolution 2002-03-02 and the area was expanded with the adoption of Resolution 2021-10. The Agency was established by the City of Groveland (the “City” and “Primary Government”) City Council (“City Council”) via Ordinance 2002-05-15 in May 2002. The Agency is a legal entity, separate, distinct, and independent of the City Council. The Agency is governed by a seven (7) member board, the Groveland Community Redevelopment Agency Governing Board, which consists of the five (5) members of the Groveland City Council and two (2) at-large members who either reside or are engaged in business within the Community Redevelopment Area. The Groveland City Council selects the at-large members of the CRA Governing Board from applications submitted to the City.

The accounting policies of the Agency conform to generally accepted accounting principles (GAAP) as applied to government units. The more significant accounting policies used by the Agency are described below.

Revenue sources for the Agency consist primarily of property taxes (tax increment financing). Any bond issue authorizations are approved by the Agency Governing Board and the legal liability for the general obligation portion of the Agency’s debt remains with the Primary Government.

The accompanying financial statements present only the operations of the Agency and are not intended to present the financial position and results of the City of Groveland, Florida. Complete financial statements for the City of Groveland, Florida may be obtained through the City’s web portal.

Government-wide and fund financial statements

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

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

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting and financial statement presentation

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

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

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

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

Government-wide financial statements

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

Groveland Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting and financial statement presentation (Continued)

Fund financial statements

The fund financial statements provide information about the Agency's fund. The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Agency reports the following major governmental fund:

The *Community Redevelopment Trust Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

1. 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.

2. Investments

Investments for the Agency are reported at fair value (generally based on quoted market prices) except for the position in the State Treasurer's Investment Pool (Pool). The State Treasurer's Investment Pool meets all of the specified criteria in GASBC Section 150: *Investments* to qualify to elect to measure their investments at amortized cost. Accordingly, the value of the Agency's position in the pool is equal to the value of the pooled shares.

3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Receivables and payables

Loan receivable – An amount established through the anchor tenant loan to grant program by the Agency to allow property owners within the area to apply for and receive loan to grant funding to improve their property. The amount of the loan to grant that the recipient would repay is reduced by 20% annually until the loan to grant amount is reduced to zero after five years and completion of the facility improvements. The receivable is recognized as long-term on the governmental fund balance sheet.

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Capital assets

The purpose of the Agency includes revitalization of sub-districts through public investments to encourage private sector investment and increase economic development opportunities. The acquisition and improvement of property for revitalization serves a vital role for the Agency. However, the Agency does not maintain or operate any capital assets. Therefore, Agency purchased assets, along with the burden of operating and maintenance costs are transferred to the City.

6. Interfund activities and transactions

During the course of operations, numerous transactions occur between the City's individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. Long-term borrowings between funds are classified as "advances to other funds" or "advances from other funds" in the fund financial statements.

Interfund transactions 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 cost as a reimbursement. All other interfund transactions are treated as transfers.

7. Categories and classification of fund equity

Net position flow assumption – Sometimes the Agency will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statement, 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 statement, 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.

The provisions of Section 1800: *Classification and Terminology* of the GASB Codification, specifies the following classifications:

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Categories and classification of fund equity (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).

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

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

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

Assigned Fund Balance - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. 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 of any remaining funds.

8. Revenues and expenditures/expenses

Program revenues – Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues. The Agency has no program revenues in the fiscal year ended September 30, 2024.

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Revenues and expenditures/expenses (continued)

Property taxes – All property is reassessed according to its fair value on the lien date, or January 1 of each year. Taxes are levied on October 1 of each year. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. On or around May 31 following the tax year, certificates are sold for all delinquent taxes on real property.

9. Use of estimates

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

10. Subsequent events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 9, 2026. See Note 4 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

11. Recently issued and implemented accounting pronouncements

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 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 accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

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

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Recently issued and implemented accounting pronouncements (continued)

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

GASB Statement No. 102, *Certain Risk Disclosures*, this statement was issued December 2023 to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. Statement No. 102 will be effective for the fiscal year ending September 30, 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements*, this statement was issued April 2024 to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues.

This establishes new accounting and financial reporting requirements—or modifies existing requirements—related to Management's discussion and analysis (MD&A); unusual or infrequent items; presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. This statement will supersede and amend portions of GASB Statements No. 34 and 37. This statement further amends portions of GASB Statements No. 14, 41, 42, 44, 49, 56, 58, 61, 62 and 69. Related guidance will also be superseded or amended upon implementation. Statement No. 103 will be effective for the fiscal year ending September 30, 2026.

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Recently issued and implemented accounting pronouncements (continued)

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, this statement was issued September 2024 to provide users of government financial statements with essential information about certain types of capital assets. This requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. Statement No. 104 will be effective for the fiscal year ending September 30, 2026.

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

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The Agency pools its deposits with the Primary Government. At September 30, 2024, the Agency's carrying amount of deposits was \$1,165,955; \$250,000 of the Agency's deposits is covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in excess of FDIC insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Agency pursuant to Section 280.08, Florida Statutes.

The investment program is established in accordance with the Agency'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 Florida Surplus Asset Fund Trust (Florida SAFE) is a common law trust organized under the laws of the State of Florida as an intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes. The investment pool consists of obligations guaranteed by the full faith and credit of the United States, U.S. government agency obligations, commercial paper, bank obligations and other obligations permitted by applicable Florida Statutes. At September 30, 2024, the Agency's share of Florida SAFE was \$84,875. The fair value of the Agency's position in the pool is equal to the value of the pooled shares or net asset value.

Under GASBC Section 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 Primary Government's access to 100 percent of their account value in either external investment pool.

Deposits available within various funds were consolidated for investment purposes. Interest earned was allocated to the Agency based on their average cash and investment balances.

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (continued)

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

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

Credit risk – GASBC Section 150: *Investments* of the GASBC 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 limit investments to securities with specific ranking criteria.

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

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

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

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

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

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (continued)

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

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

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

As of September 30, 2024, the Agency did not hold any investments which met the criteria set forth in GASB Codification Section 3100 and would be required to be classified within the fair value hierarchy.

At September 30, 2024, the Primary Government had the following investments:

Investment type	Fair Value	Weighted Average to Maturity	Rating	Agency
Agency:				
Florida SAFE Stable NAV Fund	\$ 84,875	60 days	AAAm	S&P
Total investments	\$ 84,875			

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2024.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Groveland Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

B. Loan Receivables

The Agency created an Anchor Tenant Loan to Grant Program allowing property owners and/or commercial tenants within the CRA area to apply for and receive loan to grant funding to improve their property in accordance with the program and to stimulate and encourage economic growth and development.

On March 22, 2021, the Agency entered into an agreement with a restaurant to aid in making certain improvements to the exterior, interior and the structure of their facility located within the CRA area. The Agency authorizes the disbursement of grant funds to the company for reimbursement of construction materials and improvements made to the property up to a maximum of \$50,000. The Agency will reduce the amount of the loan to grant amount that the company would repay by 20% annually. After 5 years from the execution of the agreement and completion of the facility improvement, the repayment will be reduced to zero and the company will have no repayment obligation to the Agency. As of September 30, 2024, the outstanding balance on the loan was \$20,000.

Future amounts to be forgiven by the Agency are as follows:

For the years ending September 30,

2025	\$	10,000
2026		10,000
Total	\$	20,000

C. Interfund receivables, payables and transfers

Operating Transfers	Transfers		Net
	In	Out	
Funds at Primary Government:			
Non-major governmental funds	\$ -	\$ (133,144)	\$ (133,144)
Total	\$ -	\$ (133,144)	\$ (133,144)

The transfers to the General Fund were to pay for administrative services, capital outlay, and debt service principal and interest for an operating lease. The transfers to the non-major governmental funds were to pay for debt service principal and interest for the Capital Improvement Revenue Note, Series, 2021C.

Groveland Community Redevelopment Agency Notes to Financial Statements

Note 3: RISK MANAGEMENT

Insurance

The Agency is a member of Public Risk Management of Florida (the pool), a local government liability risk pool. The pool administers insurance activities relating to property, general liability, police, professional, automobile liability, public officials' liability, workers' compensation, and boiler and machinery. The pool absorbs losses up to a specified amount for each pool year and purchases excess and other specific coverage's from third-party carriers. The pool assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments do not produce sufficient funds to meet its obligations, the pool can make additional limited assessments. Losses, if any, in excess of the pools ability to assess its members would revert back to the member that incurred the loss. There has been no significant reduction in insurance coverage from the prior year, and no settlements in excess of insurance coverage in any of the prior three years. There were no additional assessments levied against the Agency for the fiscal year ended September 30, 2024. The cost of the insurance is allocated among the appropriate departments and funds.

Litigation

Various suits in the ordinary course of operations are pending against the Agency. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Agency, the liabilities that may arise from such action would not result in losses that would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial position of the Agency or results of operations.

Note 4: SUBSEQUENT EVENTS

Management evaluated all events or transactions that occurred after September 30, 2024 through January 9, 2026, the date the current year's financial statements were available to be issued. The following events occurred:

On December 16, 2024, City Council approved Ordinance 2024-22 appropriating the remaining fund balance at September 30, 2024 per Florida Statute 163.387(7). The funds will be appropriated for Economic Development (\$30,000), Lake Ave./Cherry St. Streetscape & Stormwater (\$30,000), Streetscape (\$41,000), Elsie Tomlin Community Center Project (\$25,000) and the Lake David Trail (\$186,616). This budget amendment was presented to and approved by the Community Redevelopment Agency (CRA) Board via Resolution 2024-126 at a meeting on November 25, 2024.



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



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**Groveland Community Redevelopment Agency
Budgetary Comparison Schedule – Community Redevelopment Agency Fund**

<i>For the year ended September 30, 2024</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 1,190,953	\$ 1,183,224	\$ 1,183,226	\$ 2
Investment income	5,000	963	70,967	70,004
Miscellaneous revenue	20,000	-	32,122	32,122
Total revenues	1,215,953	1,184,187	1,286,315	102,128
EXPENDITURES				
Transportation	-	55,095	29,469	25,626
Economic development	491,085	521,085	320,897	200,188
Capital outlay	791,724	1,377,598	566,863	810,735
Total expenditures	1,282,809	1,953,778	917,229	1,036,549
Excess (deficiency) of revenues over (under) expenditures	(66,856)	(769,591)	369,086	1,138,677
OTHER FINANCING SOURCES				
Transfers out	(133,144)	(133,144)	(133,144)	-
Total other financing sources	(133,144)	(133,144)	(133,144)	-
Net change in fund balance	(200,000)	(902,735)	235,942	1,138,677
Fund balance, beginning of year	932,736	932,736	932,736	-
Fund balance, end of year	\$ 732,736	\$ 30,001	\$ 1,168,678	\$ 1,138,677

Note that this schedule is prepared on a budgetary basis, but it is not different from Generally Accepted Accounting Principles (GAAP) in presentation.

Groveland Community Redevelopment Agency Budgetary Notes to Required Supplementary Information

Note 1: BUDGETARY INFORMATION

The Agency follows these procedures in establishing the budgetary data reflected in the financial statements:

- C. Prior to the end of the fiscal year, the Agency Finance Director submits to the Agency Governing Board a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- D. Public budget workshops are held where the Agency Governing Board, Agency Director and CRA Coordinator refine budget detail items.
- E. The general summary of the budget and notice of public hearing is published in the local newspaper.
- F. Public hearings are conducted to obtain taxpayer comments.
- G. Prior to October 1, the budgets are legally enacted through passage of a resolution.
- H. The Agency Director is authorized to transfer budgeted amounts within a department; however, any revisions that alter the total appropriations of any department must be approved by a majority vote of the Agency Governing Board.
- I. The level of classification detail at which expenditures may not legally exceed appropriations is the department level.
- J. Unexpended, unencumbered appropriations lapse at the close of the fiscal year.
- K. Budgets are adopted for the community redevelopment fund on a basis consistent with generally accepted accounting principles, except as described below under Budgetary Basis of Accounting.
- L. The Agency Governing Board, by Ordinance, may make supplemental appropriations in excess of those originally estimated for the year up to the amount of available revenues. Budgeted amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions.

Budgetary basis of accounting

The Agency includes a portion of the prior year's fund balances represented by unappropriated liquid assets remaining in the fund as budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures.



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

Honorable Chair and Board Members
Groveland Community Redevelopment Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Groveland 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 January 9, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Melbourne, Florida

January 9, 2026



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INDEPENDENT AUDITOR’S MANAGEMENT LETTER

The Honorable Chair and Board Members
Groveland Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Groveland Community Redevelopment Agency (the “Agency”) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 9, 2026.

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 January 9, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Programs

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

Special District Specific Information (Unaudited)

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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

- a. The total number of district employees compensated in the last pay period of the Agency's fiscal year as 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as 4.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$765,966.

e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:

<u>Construction Project:</u>	<u>Estimated Expenditures:</u>
Small Business Grant (Economic Development)	\$ 120,000
Lake Ave./Cherry St. Streetscape & Stormwater Improvements	\$ 734,000
Streetscape	\$ 71,000
Else Tomlin Center	\$ 166,400
Lake David Trail	\$ 536,616

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes. See page 32.

Specific Information (For an independent special district that imposes ad valorem taxes)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the (name of district) reported:

- a. The millage rate or rates imposed by the City on the Agency's behalf was 5.50 mills.
- b. The total amount of ad valorem taxes collected by the City on behalf of the Agency as \$ 1,183,226.
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as \$0.

The Agency did not impose any special assessments; therefore, there are no amounts to report in regards to Section 10.554(1)(i)9, Rules of the Auditor General.

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Agency's Governing Board, 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
January 9, 2026



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

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INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH SECTION 163.387(7) AND SECTION 163.387(8), FLORIDA STATUTES

The Honorable Chair and Board Members
Groveland Community Redevelopment Agency

We have examined the Groveland Community Redevelopment Agency’s (the “Agency”) compliance with the requirements of Sections 163.387(7) and 163.387 (8), Florida Statutes, *Redevelopment Trust Fund Policies*, 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 with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the Agency complied with the requirements of Section 163.387(7) and Section 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2024, in all material respects.

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

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

Melbourne, Florida
January 9, 2026



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INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Chair and Board Members
Groveland Community Redevelopment Agency

We have examined the Groveland 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 the specified requirements. Our responsibility is to express an opinion on the Agency’s compliance with the specified requirements based on our examination.

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

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

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

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

This report is intended solely for the information and use of the Agency’s Governing 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
January 9, 2026