



**MULBERRY COMMUNITY  
REDEVELOPMENT AGENCY**

(A Component Unit of the City of  
Mulberry, Florida)

**FINANCIAL STATEMENTS**

For the Fiscal Year Ended  
September 30, 2025

## TABLE OF CONTENTS

### **FINANCIAL SECTION**

Independent Auditor's Report ..... 1

Management's Discussion and Analysis (required supplementary information) ..... 4

#### **Basic Financial Statements**

##### *Government Wide Financial Statements:*

Statement of Net Position ..... 11

Statement of Activities ..... 12

##### *Governmental Funds:*

Balance Sheet – Governmental Funds..... 13

Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position..... 14

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds..... 15

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities ..... 16

Notes to Financial Statements ..... 17

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Budgetary Comparison Schedule – General Fund..... 27

#### **OTHER INFORMATION**

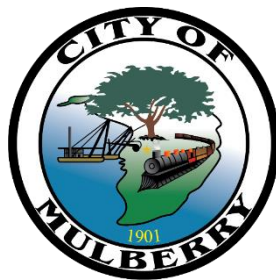
Data Elements required by Section 218.32(1)(e), *Florida Statutes*..... 28

#### **COMPLIANCE SECTION**

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*..... 30

Management Letter..... 32

Independent Accountant's Report ..... 35



MULBERRY COMMUNITY REDEVELOPMENT AGENCY

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## **FINANCIAL SECTION**



# Powell and Jones CPA

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## INDEPENDENT AUDITOR'S REPORT

To the Chair and Members of the  
Mulberry Community Redevelopment Agency  
City of Mulberry, Florida

### Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Mulberry Community Redevelopment Agency (the CRA), a component unit of the City of Mulberry, Florida (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the CRA as of September 30, 2025, and the respective changes in financial position thereof for the fiscal 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

The CRA's 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 CRA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 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, we:

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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.

**Emphasis of Matter**

As discussed in Note 1, these financial statements present only the Mulberry Community Redevelopment Agency. They do not present fairly the financial position of the City of Mulberry, Florida as of September 30, 2025, and the changes in its financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2026 on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.



Powell and Jones CPA  
Lake City Florida  
February 6, 2026

## MULBERRY COMMUNITY REDEVELOPMENT AGENCY

(A Component Unit of the City of Mulberry, Florida)

Management's Discussion and Analysis

September 30, 2025

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As management of the Mulberry Community Redevelopment Agency (the CRA), a component unit of the City of Mulberry, Florida (the City), we offer readers of the CRA's financial statements this narrative overview and analysis of the financial activities of the CRA for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with the basic financial statements which can be found by referencing the table of contents of this report.

### Financial Highlights

- The assets of the CRA exceeded the liabilities at the close of the most recent fiscal year by \$6,629,540 (net position) compared to \$6,200,146 in the prior year. Of the current year amount, \$1,537,767 is reported as restricted for community redevelopment and \$5,091,773 represents the investment in capital assets.
- The CRA's total net position increased by \$429,394 during the year ended September 30, 2025 compared to an increase of \$5,067,615 in the prior year.
- As of the close of the current fiscal year, the CRA's general fund reported ending fund balance of \$1,537,767 compared to \$2,839,229 at the end of the prior fiscal year, a decrease of \$1,301,462 or 45%.

### Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to the approach used by private-sector business in that revenue is recognized when earned or established criteria are satisfied, and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the year, and expenses are reported even though they may not have used cash during the current fiscal year.

Both of the government-wide financial statements are designed to distinguish functions of the CRA that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The CRA does not engage in business-type activities and as such, no business-type activities are reported in the financial statements.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Management's Discussion and Analysis

September 30, 2025

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The governmental activities of the CRA are exclusively comprised of the community redevelopment function.

The government-wide financial statements can be found by referencing the table of contents of this report.

Fund financial statements: Funds are a group of self-balancing accounts. Funds are used to account for specific activities of the CRA, rather than reporting on the CRA as a whole. The CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

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

The CRA maintains only one fund, a major governmental fund designated as the general fund.

The basic governmental fund financial statements can be found by referencing the table of contents of this report.

*Notes to the financial statements:* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found by referencing the table of contents of this report.

*Other information:* In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the CRA's general fund budgetary comparisons. Required supplementary information can be found by referencing the table of contents of this report.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Management’s Discussion and Analysis

September 30, 2025

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Government-wide Financial Analysis

The following is a summary of the information presented in the Statement of Net Position on page 11 of this report.

	Statement of Net Position (Summary)	
	as of September 30,	
	Governmental Activities	
	<u>2025</u>	<u>2024</u>
<b>Assets</b>		
Current and other assets	\$ 1,577,710	\$ 3,338,584
Capital assets	<u>5,091,773</u>	<u>3,360,917</u>
<b>Total assets</b>	<u>6,669,483</u>	<u>6,699,501</u>
<b>Liabilities</b>		
Long-term liabilities	-	-
Other liabilities	<u>39,943</u>	<u>499,355</u>
<b>Total liabilities</b>	<u>39,943</u>	<u>499,355</u>
<b>Net position</b>		
Investment in capital assets	5,091,773	2,902,811
Restricted	<u>1,537,767</u>	<u>3,297,335</u>
<b>Total net position</b>	<u>\$ 6,629,540</u>	<u>\$ 6,200,146</u>

The CRA’s net position increased modestly from the prior year. Investment in capital assets rose significantly in the current year as a result of additions to capital infrastructure, increasing from approximately \$2.90 million in 2024 to \$5.09 million in 2025. Restricted net position decreased from \$3.30 million to \$1.54 million, primarily due to the use of restricted resources for their intended purposes during the year. Overall, total net position increased from \$6.20 million in 2024 to \$6.63 million in 2025, reflecting the combined effect of these changes.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Management’s Discussion and Analysis

September 30, 2025

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The following is a summary of the information presented in the Statement of Activities on page 12 of this report.

**Statement of Activities (Summary)  
For the year ended September 30,**

	<b>Governmental Activities</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
<b>Revenues:</b>		
<i>Program Revenues:</i>		
Charges for services	\$ -	\$ -
Operating grants and contributions	-	-
Capital grants and contributions	578,816	4,500,000
<i>General revenues:</i>		
Taxes	1,665,966	1,355,416
<b>Total revenues</b>	<b><u>2,244,782</u></b>	<b><u>5,855,416</u></b>
<b>Expenses:</b>		
Community redevelopment	1,815,388	787,801
<b>Total expenses</b>	<b><u>1,815,388</u></b>	<b><u>787,801</u></b>
Change in Net Position	429,394	5,067,615
Net position - October 1	6,200,146	1,132,531
Net position - September 30	<b><u>\$ 6,629,540</u></b>	<b><u>\$ 6,200,146</u></b>

**Governmental activities:** Governmental activities’ change in net position for 2025 was an increase of \$429,394 as compared to an increase of \$5,067,615 for the prior year. The main reasons for the current year changes are as follows:

- Total revenues declined by \$3,610,634, or 62%, largely because of a significant reduction in capital transfers from the City. In the prior year, the CRA received a \$4,500,000 capital transfer funded by City-issued debt, compared to only \$500,000 in the current year. These transfers reflect the proceeds of City debt issued to support a facility renovation project administered by the CRA. Since the CRA is responsible for the related debt service, the renovation activity is recorded within the CRA rather than the City’s General Fund. In addition, the CRA recognized a \$78,816 capital contribution from the City during 2025 when the Depot 303 building project and associated land were deeded to the CRA.
- Total expenses increased by \$1,027,587 or 130% mainly due to the following:
  - In the current year, the CRA completed a facility renovation project and transferred the finished asset to the City, as the City is responsible for its ongoing maintenance. This transfer is reported as an expense in the CRA’s statement of activities and totaled \$139,355.
  - The CRA’s debt service subsidy to the City increased by approximately \$510,000 due to the inclusion of debt issuance costs for the Series 2025 Note and because the Series 2023 Note was outstanding for most of fiscal year 2025, compared to only a brief period in fiscal year 2024.
  - The CRA incurred \$258,150 of operating expenses related to the Depot 303 restaurant in 2025, the first year of operations.

## MULBERRY COMMUNITY REDEVELOPMENT AGENCY

(A Component Unit of the City of Mulberry, Florida)

Management's Discussion and Analysis

September 30, 2025

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### Financial Analysis of the Government's Funds

**Governmental funds:** The focus of the CRA's governmental fund (general fund) statements 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.

As of the end of the current fiscal year, the CRA's sole fund, the general fund, reported ending fund balances of \$1,537,767 a decrease of \$1,301,462 in comparison with the previously reported balance in the prior year of \$2,839,229. The entire fund balance of the CRA's general fund is restricted for community development expenditures.

Activity during the current fiscal year included the following key components:

- Total revenue decreased by \$3,689,450 or 63% mainly due to the prior year transfer of \$4,500,000 from the City to fund capital projects managed through the CRA compared to a \$500,000 transfer in 2025. Ad valorem tax increment funding increased due to increases in the property values within the CRA, including new construction within the CRA and increases in the value of existing properties within the CRA.
- Total general fund expenses decreased by \$571,137 or 14% mainly due to decreased capital outlay of \$1,364,021 as the Depot 303 renovation project was completed during 2025. The decrease in capital outlay was partially offset by increased debt service subsidy payments to the City due to the inclusion of debt issuance costs for the Series 2025 Note and because the Series 2023 Note was outstanding for most of fiscal year 2025, compared to only a brief period in fiscal year 2024.

### General Fund Budgetary Highlights

Actual resources were less than budgeted resources by \$1,150,118 and actual charges to appropriations were \$1,199,904 less than budgeted resulting in an overall favorable budget variance of \$49,786. Explanation of significant budgetary variances are as follows:

Resources:

- Charges for services, representing expected Depot 303 revenue were budgeted at \$1,150,000 but zero revenue was realized during the year.

Outflows:

- Several budgeted projects did not take place such as impact fee assistance grants (\$35,000), valve replacement program (\$75,000) and community policing allocation (\$280,000).
- The budget Depot 303 operating expenditures were \$391,000 less than originally budgeted.
- Debt service subsidy expenditures were \$325,612 less than budgeted as the Old City Hall property purchase did not take place as anticipated.

The original General Fund budget was amended to increase budgeted revenues by \$500,000 to recognize additional bond proceeds transferred from the City to complete the Depot 303 project. Budgeted expenditures were also increased by \$1,848,832 to incorporate capital outlay costs that were not included in the original budget."

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Management’s Discussion and Analysis

September 30, 2025

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Capital Assets and Debt Administration

**Capital assets:** The summary of capital asset balances at the end of the current year and prior year is as follows:

	<b>Capital Assets Activity</b> (net of depreciation) as of September 30,	
	<b>Governmental Activities</b>	
	<u>2025</u>	<u>2024</u>
Land	\$ 78,816	\$ -
Buildings	5,012,957	-
Construction in progress	-	3,360,917
Total	<u>\$ 5,091,773</u>	<u>\$ 3,360,917</u>

As of September 30, 2025, the CRA reported no construction in progress, as all redevelopment projects underway during the year were completed and either placed into service or transferred to the City. The CRA finalized the Depot 303 restaurant project during the year, and the City deeded the completed property to the CRA in 2025. Accordingly, the related construction costs previously reported as construction in progress were reclassified and capitalized as a depreciable building asset. In addition, the City contributed the associated land, recorded at its estimated acquisition value of \$78,816.

The CRA often engages in the construction, renovation, and/or acquisition of capital assets which may include land, buildings, improvements or furniture and equipment. Most of these assets are not titled to the CRA and the CRA does not have operational oversight nor obligation for ongoing repair and maintenance of the assets rather the assets are transferred to the City upon acquisition or upon completion of construction or renovation.

For long term construction or renovation projects, the costs are capitalized in the governmental activities of the CRA and are transferred to the City upon completion.

Additional information on the CRA’s capital assets can be found in note 6 of the notes to the financial statements which can be found by referencing the table of contents of this report.

**Long-Term Debt:** The CRA had no long-term debt outstanding in the current nor in the prior year.

The City issued the Capital Improvement Revenue Note, Series 2020 to finance the rehabilitation of the historic Gem Theatre in downtown Mulberry. The City also issued the Capital Improvement Revenue Note, Series 2023 to fund the Depot 303 renovation project. In 2025, the City issued the Capital Improvement Refunding and Revenue Note, Series 2025, which fully refunded the outstanding Series 2023 Note and provided an additional \$500,000 to complete the Depot 303 project.

The CRA has committed that the loans will be repaid from tax-increment revenues of the CRA and those payments are now reported as a debt service subsidy to the City but the debt is reported in the City’s financial statements as they are the legal obligor on the loan agreements.

Additional information on the CRA’s long-term debt can be found in note 7 of the notes to the financial statements which can be found by referencing the table of contents of this report.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Management's Discussion and Analysis

September 30, 2025

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Economic Factors and Next Year's Budgets and Rates

It is anticipated that the following significant item will affect the 2026 fiscal year:

- The approved budget for the fiscal year 2025-26 provides for an increase in revenue of the general fund in the amount of \$219,300 or 14% due to increases in the property values, both new construction and existing property, within the CRA district.

Requests for information

This financial report is designed to provide a general overview of the finances of the Mulberry Community Redevelopment Agency, a component unit of the City of Mulberry, Florida, 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 Mulberry, 104 S. Church Street, Mulberry, Florida 33860.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Mulberry, Florida)  
Statement of Net Position  
September 30, 2025

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	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,017,275
Prepaid expenses	1,668
Restricted assets:	
Cash and cash equivalents	558,767
Capital Assets:	
Non-depreciable	78,816
Depreciable, net	5,012,957
<b>TOTAL ASSETS</b>	<b>6,669,483</b>
<b>LIABILITIES</b>	
Accounts payable	38,108
Due to other governments	1,835
<b>TOTAL LIABILITIES</b>	<b>39,943</b>
<b>NET POSITION</b>	
Investment in capital assets	5,091,773
Restricted for:	
Facility renovation projects	558,767
Community redevelopment	979,000
<b>TOTAL NET POSITION</b>	<b>\$ 6,629,540</b>

The accompanying notes are an integral part of these financial statements

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Statement of Activities

for the year ended September 30, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grant and Contributions	Capital Grant and Contributions	Revenue and Changes in Net Position
					Governmental Activities
<b>PRIMARY GOVERNMENT</b>					
Community redevelopment	\$ 1,815,388	\$ -	\$ -	\$ 578,816	\$ (1,236,572)
<b>Total governmental activities</b>	<b>\$ 1,815,388</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 578,816</b>	<b>(1,236,572)</b>
<b>GENERAL REVENUES:</b>					
Taxes:					
Property taxes, levied for community redevelopment					1,665,966
Total general revenues					1,665,966
Change in net position					429,394
<b>NET POSITION, beginning</b>					6,200,146
<b>NET POSITION, end of year</b>					<b>\$ 6,629,540</b>

The accompanying notes are an integral part of these financial statements

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Balance Sheet – Governmental Funds

September 30, 2025

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	<u>General Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,017,275
Prepaid expenditures	1,668
Restricted assets:	
Cash and cash equivalents	558,767
<b>TOTAL ASSETS</b>	<u>\$ 1,577,710</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 38,108
Due to other governments	1,835
<b>TOTAL LIABILITIES</b>	<u>39,943</u>
<b>FUND BALANCE</b>	
Nonspendable:	
Prepaid expenditures	1,668
Restricted:	
Facility renovation projects	558,767
Community redevelopment	977,332
<b>TOTAL FUND BALANCE</b>	<u>1,537,767</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 1,577,710</u>

The accompanying notes are an integral part of these financial statements

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position

September 30, 2025

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

<b>FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	\$ 1,537,767
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	5,091,773
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ 6,629,540</u>

The accompanying notes are an integral part of these financial statements

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds  
for the year ended September 30, 2025

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	<b>General Fund</b>
<b>REVENUES:</b>	
Taxes	\$ 1,665,966
Intergovernmental revenue	500,000
Total revenues	<u>2,165,966</u>
<b>EXPENDITURES:</b>	
Current:	
Economic environment	728,839
Capital outlay	1,908,201
Debt service:	
Debt service subsidy to the City of Mulberry, Florida	830,388
Total expenditures	<u>3,467,428</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,301,462)
<b>FUND BALANCE, beginning of year</b>	<u>2,839,229</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 1,537,767</u>

The accompanying notes are an integral part of these financial statements

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities  
for the year ended September 30, 2025

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

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** \$ (1,301,462)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

This is the amount of capital asset additions recorded in the current period.	1,927,160
This is the amount of depreciation recorded in the current period	(56,949)
This is the book value of capital assets transferred to the City of Mulberry, Florida	(139,355)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 429,394

The accompanying notes are an integral part of these financial statements

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Mulberry Community Redevelopment Agency's (the CRA) financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The CRA is a Component Unit of the City of Mulberry, Florida. The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its statements (GASBS) and Interpretations (GASBI). The more significant accounting policies established by GAAP and used by the CRA are discussed below.

**A. REPORTING ENTITY**

The CRA is an independent special district created in 2015 by the City of Mulberry, Florida under Chapter 163, Part III, of the Florida Statutes. The CRA was created for the purpose of eliminating and preventing the development and spread of deterioration and blight through the clearance, re-planning, reconstruction, rehabilitation, conservation, or renewal of areas designated for residential, commercial, industrial, community, public, and other uses. The CRA's property taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. The Board of the CRA is comprised of the six members of the City Commission.

As the City and the CRA are separate legal entities, the parties also share the mutual goal of redeveloping the CRA areas. The City provides administrative support services in the same manner as provided by the City in the conduct of its own affairs or as otherwise provided by the CRA Plans or By-Laws. City Management has operational responsibility for the CRA. The CRA was charged \$333,000 by the City for the provision of these administrative support services during the year ended September 30, 2025 and this is reported as an economic environment expense/expenditure in the statement of activities/statement of revenues, expenditures and changes in fund balances.

The accompanying financial statements present the CRA and its component units, entities for which the CRA is financially accountable. Criteria for determining if other entities are potential component units of the CRA which should be reported with the CRA's basic financial statements are identified and described in the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100. The application of these criteria provides for identification of any entities for which the CRA is financially accountable and other organizations for which the nature and significance of their relationship with the CRA are such that exclusion would cause the CRA's basic financial statements to be misleading or incomplete. Based on these criteria, the financial reporting entity does not include or exclude any component units.

The City is financially accountable for the CRA and as such, the CRA is considered to be a blended component unit in the City's basic financial statements.

**B. BASIS OF PRESENTATION**

The basic financial statements consist of the government-wide financial statements and fund financial statements.

**Government-wide Financial Statements** - The required government-wide financial statements are the Statement of Net Position and the Statement of Activities, which report information on all of the nonfiduciary activities of the CRA. The effects of interfund activity have been removed from these statements. The CRA has no fiduciary funds, however, if it did they would be excluded from the government-wide financial statements since by definition these assets are being held for the benefit of a third party and cannot be used to fund activities or obligations of the CRA. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *Business-type activities*, which rely to a significant extent on fees and charges for support.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment, including depreciation. The CRA does not allocate the interest expense of governmental fund debt or indirect costs such as finance, personnel, legal, etc. *Program revenues* can 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 or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**Fund Financial Statements** - The financial transactions of the CRA are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows and outflows of resources, fund equity, revenues and expenditures/expenses. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Cod. Sec 2200 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Non-major funds by category are summarized into a single column. Due to the CRA's fund structure, there were no non-major funds. The various funds are reported by type within the financial statements.

The financial transactions of the CRA are recorded in a single governmental "general" fund. There are no other governmental funds, no proprietary funds nor any fiduciary funds.

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**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The government-wide financial statements and the proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses 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 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.

Property taxes, franchise and public service taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual as revenue of the current period. Grant revenues are considered earned and are accrued simultaneously with the grant expenditure. In applying the susceptibility-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the CRA; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and substantially irrevocable; i.e. revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criteria. All other revenue items are considered to be measurable and available only when cash is received by the government.

Imposed nonexchange resources (property taxes, fines) are reported as deferred inflows if received before the tax is levied or before the date when use is first permitted. Government mandated nonexchange transactions and voluntary nonexchange transactions are reported as liabilities until the eligibility requirements (excluding time requirements) are met and as deferred inflows if received before time requirements are met and all other eligibility requirements have been satisfied.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE**

**CASH AND CASH EQUIVALENTS** – Includes all bank demand deposits, certificates of deposit, money-market and savings accounts and all short-term highly liquid investment securities with a maturity of three months or less when purchased. On September 30, 2025, all of the CRA’s cash and investments met this definition.

**RECEIVABLES** – All trade and other receivables are shown net of an allowance for uncollectible accounts. Long-term receivables are analyzed for their collectability based on their terms and conditions of the agreements.

**INVENTORY** – Inventory is immaterial and such items are recorded as expenditures/expenses when purchased.

**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.

**CAPITAL ASSETS** – In the government-wide financial statements capital assets may include land, buildings, improvements, infrastructure, and furniture and equipment.

The CRA often engages in the construction, renovation, and/or acquisition of capital assets which may include land, buildings, improvements or furniture and equipment. Most of these assets are not titled to the CRA and the CRA does not have operational oversight nor obligation for ongoing repair and maintenance of the assets rather the assets are transferred to the CRA upon acquisition or upon completion of construction or renovation.

For long term construction or renovation projects, the costs are capitalized in the governmental activities of the CRA and are transferred to the CRA upon completion.

In the event that capital assets are purchased and titled to the CRA or if the CRA has ongoing operational responsibility of a capital asset, the CRA would report these at historical cost, if purchased and at estimated acquisition value if donated. Capital assets are defined by City policy as personal or real property or improvements with an individual cost of \$5,000 or more and an estimated useful life in excess of one year. Maintenance and repair costs which do not improve or extend the life of the respective assets are charged to expense.

In the fund financial statements, capital assets are accounted for as capital outlay expenditures of the CRA’s general fund upon acquisition.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**RESTRICTED ASSETS** - Include cash and investments that are legally restricted to specific uses by external parties or enabling legislation. The CRA generally uses restricted resources first when an expenditure/expense is incurred for which both restricted and unrestricted resources are available.

**INTEREST COSTS** - Interest costs incurred are recognized as an expense in the period in which the cost is incurred in the statement of activities or as an expenditure on a basis consistent with governmental fund accounting principles in the statement of revenues, expenditures and changes in fund balance.

**DEFERRED OUTFLOWS/INFLOWS OF RESOURCES** - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will *not* be recognized as an outflow of resources (expense/expenditure).

In addition to liabilities, the statement of net position will sometimes report a section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applied to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

**LONG-TERM OBLIGATIONS** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method. Debt issuance costs are reported as an expense in the period incurred. Bond premiums and discounts are reported, net of amortization, in the related debt balances shown in the financial statements. For current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is the shorter. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements; rather the debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**EQUITY CLASSIFICATIONS -**

**Government-wide Statements** - The difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and displayed in three components:

*Net investment in capital assets* - consists of capital assets, net of accumulated depreciation, and is reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets. Although the CRA reports capital assets, the related acquisition debt is not recorded as a liability of the CRA, as it is an obligation of the City. Because the City donated the completed project and the associated land to the CRA, there is no related debt reported by the CRA.

*Restricted net position* - Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

*Unrestricted net position* - Consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

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

**Fund Statements** - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the CRA is bound to honor the constraints on the specific purposes for which amounts in those funds can be spent. Spendable resources are to be shown as restricted, committed, assigned and unassigned as considered appropriate in the CRA's circumstances. The following classifications describe the relative strength of the spending constraints:

*Nonspendable* — amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted* — amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed* — amounts constrained to specific purposes by formal action (resolution) of the CRA using its highest level of decision-making authority (the CRA Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the Board of Directors takes the same highest-level action (resolution) to remove or change the constraint.

*Assigned* — amounts that are constrained by the CRA's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the CRA's Board of Directors or through the Board of Directors delegating this responsibility to the City Manager through the budgetary process. The CRA's Board of Directors has not established a formal policy regarding authorization to assign fund balance amounts for a specific purpose.

*Unassigned* — all other spendable amounts.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (concluded)

The CRA uses restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

**USE OF ESTIMATES** – The preparation of the basic financial statements in conformity with generally accepted accounting principles, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the basic financial statements. Actual results could differ from estimates.

**NOTE 2 – INCREMENTAL PROPERTY TAX REVENUE**

The CRA’s primary source of revenue is tax-increment funds. This revenue is computed by applying the respective operating tax rates for the City and Polk County, Florida (the “County”) multiplied by the increased value of property located within the boundaries of the redevelopment areas of the CRA in excess of the base property value, minus 5%. The City and County are required to fund this amount annually by January 1 of each year without regard to tax collections or other obligations.

The City and County millage rates in effect for the fiscal year ended September 30, 2025 were 6.390 and 6.6348, respectively.

**NOTE 3 - BUDGETARY LAW AND PRACTICE**

The budget is adopted by resolution of the Board of Directors of the CRA on or before October 1 of each year. Because the City has operational responsibility for the CRA, the CRA utilizes the City’s budgetary level of control policy which establishes the legal level of budgetary control at the fund level for all of the CRA’s funds. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations subject to notification of the CRA’s Board of Directors; however, any revisions that alter the total expenditure of any fund must be approved by resolution. Budgets for all funds are adopted on the basis of cash receipts and disbursements which differs from the basis used for financial reporting purposes. These differences are usually not significant.

**NOTE 4 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*Compliance with Finance Related Legal and Contractual Provisions* – the CRA had no material violations of finance legal and contractual provisions.

*Deficit Fund Balance or Net Position of Individual Funds* – as of September 30, 2025, no individual fund had a deficit fund balance or net position deficit.

*Excess of Expenditures Over Budget Appropriations in Individual Funds* – for the year ended September 30, 2025, no budgetary fund had an excess of expenditures over appropriations.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 5 - DEPOSITS AND INVESTMENTS**

**DEPOSITS IN FINANCIAL INSTITUTIONS** - The CRA’s deposits are insured by the FDIC up to \$250,000 per financial institution. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the Chief Financial Officer, State of Florida (the CFO) in such amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the CFO will implement procedures for payment of losses according to the validated claims of the City or the CRA pursuant to Section 280.08, Florida Statutes.

**INVESTMENTS** - The types of investments in which the CRA may invest are governed by section 218.415, Florida Statutes. According to State Statutes, the CRA is authorized to invest in the following instruments: Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized through the Florida Interlocal Cooperation Act; S.E.C. registered money market funds with the highest credit quality rating from a nationally recognized rating company; interest-bearing time deposits and savings accounts in qualified public depositories; direct obligations of the U.S. Treasury and federal agencies and instrumentalities or repurchase agreements fully collateralized by such securities; and interest in an entity registered under the Investment Company Act of 1940 whose investments are limited to U.S. Governments.

The captions on the government-wide statement of net position for “cash and cash equivalents”, both restricted and unrestricted, are summarized below. There were no investment securities maintained during the year.

Cash and cash equivalents:

Deposits in financial institutions:

Insured or fully collateralized bank deposits, \$ 1,576,042

Total cash and cash equivalents \$ 1,576,042

The CRA has no policy regarding custodial credit risk, concentration of credit risk, interest rate risk or foreign currency risk.

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

**NOTE 6 - CAPITAL ASSETS**

Capital assets activity for the year ended September 30, 2025 was as follows:

	Balance October 1, 2024	Transfers	Increases	Decreases	Balance September 30, 2025
<b>Governmental Activities:</b>					
<b>Capital assets, not being depreciated:</b>					
Land	\$ -	\$ -	\$ 78,816	\$ -	\$ 78,816
Construction-in-progress	<u>3,360,917</u>	<u>(5,069,906)</u>	<u>1,848,344</u>	<u>(139,355)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>3,360,917</u>	<u>(5,069,906)</u>	<u>1,927,160</u>	<u>(139,355)</u>	<u>78,816</u>
<b>Capital assets, being depreciated:</b>					
Buildings	<u>-</u>	<u>5,069,906</u>	<u>-</u>	<u>-</u>	<u>5,069,906</u>
Total capital assets, being depreciated	<u>-</u>	<u>5,069,906</u>	<u>-</u>	<u>-</u>	<u>5,069,906</u>
Less accumulated depreciation for:					
Buildings	<u>-</u>	<u>-</u>	<u>(56,949)</u>	<u>-</u>	<u>(56,949)</u>
Total accumulated depreciation	<u>-</u>	<u>-</u>	<u>(56,949)</u>	<u>-</u>	<u>(56,949)</u>
Total capital assets being depreciated, net	<u>-</u>	<u>5,069,906</u>	<u>(56,949)</u>	<u>-</u>	<u>5,012,957</u>
Governmental activities capital assets, net	<u>\$ 3,360,917</u>	<u>\$ -</u>	<u>\$ 1,870,211</u>	<u>\$ (139,355)</u>	<u>\$ 5,091,773</u>

Depreciation expense totaled \$56,949 for the year ended September 30, 2025 which was entirely reported as a community redevelopment expense in the statement of activities.

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**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Notes to Financial Statements

for the year ended September 30, 2025

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**NOTE 7 - LONG-TERM OBLIGATIONS**

The CRA reports no long-term obligations as of September 30, 2025.

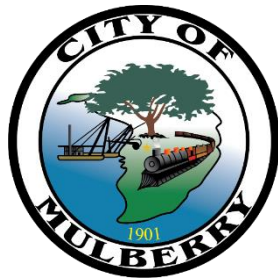
*Debt service subsidy to the City of Mulberry, Florida* - The CRA has committed to fund the debt service requirements for the City’s Capital Improvement Revenue Notes, Series 2020, Series 2023, and Series 2025. Although the CRA provides the resources for repayment, the debt obligations belong to the City and the related long-term liabilities are reported in the City’s government-wide financial statements, not in the CRA’s financial statements. The Series 2025 Note refunded the outstanding Series 2023 Note in full and provided an additional \$500,000 to complete projects originally initiated with the Series 2023 proceeds

The CRA’s debt service commitment to maturity is set forth below:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 473,948	\$ 383,374
2027	473,948	360,454
2028	473,948	335,547
2029	473,948	310,641
2030	455,012	285,734
2031-2035	<u>3,555,262</u>	<u>933,344</u>
Total	<u>\$ 5,906,066</u>	<u>\$ 2,609,094</u>

**NOTE 8 - RISK MANAGEMENT AND LITIGATION**

During the ordinary course of its operations, the CRA is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions, and natural disasters. The CRA is covered by the City’s insurance plans. The City maintains commercial insurance coverage in amounts management feels is adequate to protect and safeguard the assets of the City, including the CRA. There have been no significant reductions in coverage nor have settlement amounts exceeded the City’s coverage during the year ended September 30, 2025 or the previous two fiscal years. In the opinion of the City’s management and legal counsel, legal claims and litigation are not anticipated to have material impact on the financial position of the City or the CRA. Settled claims resulting from these risks have not exceeded insurance coverage.



MULBERRY COMMUNITY REDEVELOPMENT AGENCY

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Mulberry, Florida)

Budgetary Comparison Schedule – General Fund

for the year ended September 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>RESOURCES (inflows):</b>				
Taxes	\$ 1,666,084	\$ 1,666,084	\$ 1,665,966	\$ (118)
Charges for services	1,150,000	1,150,000	-	(1,150,000)
Intergovernmental	-	500,000	500,000	-
Total resources	<u>2,816,084</u>	<u>3,316,084</u>	<u>2,165,966</u>	<u>(1,150,118)</u>
<b>CHARGES TO APPROPRIATIONS (outflows):</b>				
Economic environment	1,662,500	1,662,500	728,839	933,661
Capital outlay	-	1,848,832	1,908,201	(59,369)
Debt service	1,156,000	1,156,000	830,388	325,612
Total charges to appropriations	<u>2,818,500</u>	<u>4,667,332</u>	<u>3,467,428</u>	<u>1,199,904</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (2,416)</u>	<u>\$ (1,351,248)</u>	<u>\$(1,301,462)</u>	<u>\$ 49,786</u>

## **OTHER INFORMATION**

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**  
 (A Component Unit of the City of Mulberry, Florida)  
 Data Elements required by Section 218.32(1)(e), *Florida Statutes*  
 September 30, 2025

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<u>Data Element</u>	<u>Reference</u>	<u>Comment</u>
The total number of CRA employees compensated in the last pay period of the CRA’s fiscal year being reported	Section 218.32(1)(e)(2)(a)	The CRA has no employees.
The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA’s fiscal year being reported.	Section 218.32(1)(e)(2)(b)	2
All compensation earned by or awarded to CRA employees, whether paid or accrued, regardless of contingency.	Section 218.32(1)(e)(2)(c)	The CRA has no employees.
All compensation earned by or awarded to CRA nonemployee independent contractors, whether paid or accrued, regardless of contingency.	Section 218.32(1)(e)(2)(d)	\$42,728
Budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the CRA amended a final adopted budget under Section 189.016(6), Florida Statutes.	Section 218.32(1)(e)(3)	See page 29 of this annual financial report.
Each construction project with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project.	Section 218.32(1)(e)(2)(e)	None

Continued...

**MULBERRY COMMUNITY REDEVELOPMENT AGENCY**

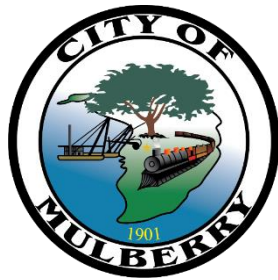
(A Component Unit of the City of Mulberry, Florida)

Data Elements required by Section 218.32(1)(e), *Florida Statutes* (concluded)

September 30, 2025

Mulberry Community Redevelopment Agency Budget variance report for the year ended September 30, 2025 based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the CRA amended a final adopted budget under Section 189.016(6), Florida Statutes.

	<b>Original Budgeted Amounts</b>	<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Original Budget Favorable (Unfavorable)</b>
<b>RESOURCES (inflows):</b>			
Taxes	\$ 1,666,084	\$ 1,665,966	\$ (118)
Charges for services	1,150,000	-	(1,150,000)
Intergovernmental	-	500,000	500,000
Total resources	<u>2,816,084</u>	<u>2,165,966</u>	<u>(650,118)</u>
<b>CHARGES TO APPROPRIATIONS (outflows):</b>			
Economic environment	1,662,500	728,839	933,661
Capital outlay	-	1,908,201	(1,908,201)
Debt service	1,156,000	830,388	325,612
Total charges to appropriations	<u>2,818,500</u>	<u>3,467,428</u>	<u>(648,928)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (2,416)</u>	<u>\$ (1,301,462)</u>	<u>\$(1,299,046)</u>



MULBERRY COMMUNITY REDEVELOPMENT AGENCY

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**COMPLIANCE SECTION**



## Powell and Jones CPA

204 N. Marion Ave.  
Lake City, FL 32055  
Phone 386.755.4200

### 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

To the Chair and Members of the  
Mulberry Community Redevelopment Agency  
City of Mulberry, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Mulberry Community Redevelopment Agency (the CRA), a component unit of the City of Mulberry, Florida (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated February 6, 2026.

#### Internal Control Over Financial Reporting

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the CRA's financial statements are free 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 determination of financial statement amounts. 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.



**Powell and Jones CPA**  
Lake City Florida  
February 6, 2026



## Powell and Jones CPA

204 N. Marion Ave.  
Lake City, FL 32055  
Phone 386.755.4200

### MANAGEMENT LETTER

To The Chair and Members of the  
Mulberry Community Redevelopment Agency  
City of Mulberry, Florida

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of the Mulberry Community Redevelopment Agency (the CRA), a component unit of the City of Mulberry, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated February 6, 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 and schedule, which are dated February 6, 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. There were no findings or recommendations identified in the preceding financial audit reports for the prior two years.

#### OFFICIAL TITLE AND LEGAL AUTHORITY

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

## **FINANCIAL CONDITION AND MANAGEMENT**

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

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

Property Assessed Clean Energy Programs (PACE) - As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the CRA did not have a property assessed clean energy (PACE) program that finances qualifying improvements authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the CRA's geographical boundaries during the fiscal year under audit. 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.

## **SPECIAL DISTRICT COMPONENT UNITS**

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the CRA reported the following unaudited data:

- a. The total number of CRA employees compensated in the last pay period of the district's fiscal year as -0-.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 2.
- 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 \$42,728.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as none.
- f. Budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the CRA amended a final adopted budget under Section 189.016(6) – See page 27 of this annual financial report.

**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 and other granting agencies, the Chair and members of the CRA, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Powell & Jones".

**Powell and Jones CPA**  
Lake City Florida  
February 6, 2026



## Powell and Jones CPA

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### INDEPENDENT ACCOUNTANT'S REPORT

To The Chair and Members of the  
Mulberry Community Redevelopment Agency  
City of Mulberry, Florida

We have examined the Mulberry Community Redevelopment Agency's (the CRA) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2025. We have also examined the CRA's compliance with Sections 163.387(6) and (7), *Florida Statutes* during the year ended September 30, 2025. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the CRA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

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

Powell and Jones CPA  
Lake City, Florida  
February 6, 2026