CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2025

CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2025

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
City of Sebring Community Redevelopment Agency
Sebring, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of the City of Sebring Community Redevelopment Agency (CRA), a component unit of the City of Sebring, Florida 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 accompanying financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the general fund of the CRA, as of September 30, 2025, and the respective changes in financial position, and budgetary comparison for the general fund thereof 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 (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 Auditors' 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.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 6 of the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, effective for the fiscal year ended September 30, 2025. GASB 101 required liabilities to be recognized for leave attributable to services already rendered, that accumulates, and is more likely than not to be used or otherwise paid or settled. Our opinions are not modified with respect to this matter.

Responsibilities of Management's for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 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, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
June 29, 2026

As management of the City of Sebring Community Redevelopment Agency (CRA), we offer the readers of the CRA's basic financial statements this narrative overview and analysis of the financial activities of the CRA for the year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

Financial Highlights

- The assets of the CRA exceeds its liabilities as of September 30, 2025 by $2,733,515 (Net Position).
- The CRA's total assets as of September 30, 2025 were $8,332,118.
- The CRA's total revenue was $1,618,057 consisting primarily of CRA Incremental Tax Revenue.
- The CRA's total expenses came to $851,959.
- The increase in net position was $766,098.

Overview of 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: government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the CRA's finances using the accrual basis of accounting. The CRA's government-wide financial statements include the following:

- Statement of Net Position – reports the CRA's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- Statement of Activities – reports the results of activity over the course of the fiscal year. It details the costs associated with operating the CRA and how those costs were funded. It also provides an explanation of the change in net position from the previous fiscal year-end to the current fiscal year-end.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The analysis of net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned or incurred regardless of when cash is received or paid.

Our analysis presents the CRA's net position, which can be thought of as the difference between what the CRA owns (assets) and what the CRA owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the CRA. The CRA's net position consists of restricted net position that can only be spent for specific purposes because of constraints imposed by external sources (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Over time, significant changes to the CRA's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any CRA, the reader must also consider other nonfinancial factors such as fluctuations in the local economy.

The government-wide financial statements can be found on pages 10 through 11 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 CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The CRA is accounted for as a governmental fund.

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.

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

The governmental fund financial statements can be found on pages 12 through 15 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 government-wide and fund financial statements.

Government-Wide Financial Analysis

Summary of Net Position

	2025	2024
Assets:		
Current Assets	$ 8,332,118	$ 7,710,111
Liabilities:		
Current Liabilities	183,261	107,337
Noncurrent Liabilities	5,415,342	5,631,778
Total Liabilities	5,598,603	5,739,115
Net Position		
Restricted for Community Redevelopment	$ 2,733,515	$ 1,970,996

Assets increased $622,007 from the prior year due to a significant decrease in expenditures while revenues continued to grow. Liabilities decreased by $140,509 from the prior year due to payments made on the CRA's debt. There was an increase in net position of $766,098 in the current year.

Summary of Revenues, Expenses, and Changes in Net Position

	2025	2024
REVENUES		
Taxes	$ 1,419,500	$ 1,311,743
Investment Earnings	198,325	214,831
Miscellaneous	232	224
Total Revenues	1,618,057	1,526,798
EXPENSES		
Economic Development	851,959	2,110,328
CHANGE IN NET POSITION	766,098	(583,530)
Net Position - Beginning of Year	1,970,996	2,554,526
Restatement (See Note 6)	(3,579)	-
Net Position - Beginning of Year	1,967,417	2,554,526
NET POSITION - END OF YEAR	$ 2,733,515	$ 1,970,996

In fiscal year 2025, total revenue was $1,618,057 while total expenses were $851,959. This resulted in a total net position of $2,733,515.

The taxable value of property located within the CRA District increased in fiscal year 2025 resulting in Ad Valorem proceeds increasing $107,757 over the previous year, for a total fiscal year 2025 revenue increase of $91,259.

Expenses decreased $1,258,369 in fiscal year 2025 due largely to a decrease in expenses for grant programs and capital related projects. This is made up of increases in personnel cost and operating expenses. A comparison of expenses by category is as follows:

	2025	2024	Change
Grant Programs	$ 44,382	$ 1,419,964	$ (1,375,582)
Other Expenses	807,577	690,364	117,213
Total Expenses	$ 851,959	$ 2,110,328	$ (1,258,369)

Governmental Fund Financial Analysis

General Fund

The general fund reported ending fund balance of $8,148,857, an increase of $546,083 over the prior year. The entire fund balance is restricted for community redevelopment. The significant changes in general fund activity are discussed in the government-wide analysis above.

General Fund Budgetary Highlights

The General Fund budget to actual statement is presented in the basic financial statements. The schedule shows the original adopted budget, the final budget, actual results, and the positive or negative variance between the final budget and actual results. After the original budget is approved, it may be amended for various reasons such as unanticipated revenues, unforeseen expenditures, or new grant awards.

- The actual net change in the fund balance of the General Fund compared to the final budget was a positive variance of $2,638,595.
- General Fund revenues were $198,557 more than the final budgeted amount.
- Actual expenditures in the General Fund were $2,440,038 less than the final budget. Significant variances are due to projects that were budgeted but did not occur in the current year.

Economic Factors and Next Year's Budget and Rates

The City of Sebring Community Redevelopment Agency (CRA) is reported as a discretely presented component unit of the City of Sebring. Its annual budget was approved on September 11, 2025. The following factors were considered in preparing the CRA's budget for the 2026 fiscal year:

- The City of Sebring is the largest city in Highlands County.

- An economic forecast estimates the City's population growth to be 1.69% per year for the remainder of the decade.

- Property values are forecast to increase by 1.7% in fiscal year 2026.

- The CRA is committed to the redevelopment of the downtown district and undertaking revitalization activities that bring about the economic resurgence of the central business district. The CRA updated their redevelopment master plan that will be utilized to guide the CRA's efforts for the next 20 years. The updated master plan extended the operations of the CRA until 2043, and highlighted projects, initiatives, goals and objectives to progress the district. The CRA also secured $6 million in debt to invest back into the district through key projects and initiatives.

- In recent years, the CRA has taken a very progressive approach to eliminating blight in the downtown area by focusing efforts on the acquisition and redevelopment of prime properties within the district. These properties were vacant marquee locations in need of a renewed purpose to feed downtown as opposed to detracting from it. At present the CRA has acquired (7) key parcels that were all poised for redevelopment. Through partnerships with prominent small businesses in the area, (4) of these properties have been put back into use and are enhancing the tax base downtown. These restored buildings have brought a boutique hotel, restaurants and entertainment to a once desolate downtown drawing residents and visitors alike. The (3) remaining properties amid their redevelopment are poised to be the largest transformations and in turn, the largest catalysts to the future of the downtown. The former site of the historic Nan-Ces-O-Wee Hotel has been vacant since 2020 waiting for the right opportunity to revive the site. This centrally located parcel will be the future home of Sadie's Place, a 10,000 sq ft commercial development that will provide much needed retail options for downtown, as well as the first new retail construction offering downtown in decades. Large, vacant bank buildings have plagued the downtown with the ominous task of devising a future use that supported the downtown while also securing a partnership that could financially afford the costly upgrades necessary for each building. The CRA has partnered with a developer to transform one building into a multi-story class A executive business center – the first of its kind downtown and is in the process of securing a historical Sebring museum in another of the former financial institutions. The City of Sebring has also gotten behind the renaissance of downtown by purchasing the remaining former bank building with plans to transform the 3-story building into the future home of City Hall.

- The previous year also saw the largest increase in foot traffic downtown as Sebring was featured on season three of HGTV's hit renovation show, Home Town Takeover. Visitors flocked from near and far to witness downtown Sebring's incredible transformation thanks to the well-known dynamic husband and wife duo, Ben and Erin Napier. Downtown Sebring's partnership with HGTV allowed for the renovation of marquee properties in the downtown helping to increase the tax base and aesthetic appeal within the district. Pedestrian traffic downtown hit an all-time high after the show aired and downtown continues to thrive long after the cameras stopped rolling. The CRA has been busy planning pedestrian safety and lighting improvements to provide a safer environment for residents and tourists alike to enjoy after undertaking a study to offer recommendations for safety and lighting improvements in the core downtown area. The CRA also partnered with the City of Sebring and the Rotary Club of Highlands County to construct new public restrooms centrally located within the downtown area as the Rotary Club's milestone centennial project. These new facilities were much needed with the increased patronage and will create a more welcoming atmosphere downtown.

- Another key project for the City and the CRA is the redevelopment of the City's waterfront park area located on the shores of the City's centerpiece, Lake Jackson. The waterfront redevelopment project is a key revitalization effort for the City as the existing waterfront is underutilized due to inadequate design and discordant features. Lake Jackson is the waterfront bookend of the downtown Sebring circle, and the focus of the waterfront redevelopment project in order to offer the community a variety of recreational amenities. The goal of the project is to create a focal waterfront amenity for Sebring and create a public space for recreation that is a connection to downtown. The CRA completed the draft design of the project and is working with the City on a stormwater analysis of the property as the next step in the process to revitalize the park.

Kristie Vazquez
Executive Director
City of Sebring Community Redevelopment Agency
309 Circle Park Drive
Sebring, Florida 33870

CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

ASSETS	
Cash and Cash Equivalents	$ 4,293,600
Investments	784,192
Accounts Receivable	3,898
Due From Other Funds	379
Prepaid Expenses	395
Assets Available for Sale	3,249,654
Total Assets	8,332,118
LIABILITIES	
Accounts Payable	177,990
Accrued Liabilities	5,271
Noncurrent Liabilities:	
Due Within One Year	232,320
Due in More Than One Year	5,183,022
Total Liabilities	5,598,603
NET POSITION	
Restricted for Community Redevelopment	$ 2,733,515

See accompanying Notes to Financial Statements.

CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

EXPENSES		
Economic Development	$	851,959
Total Expenses		
GENERAL REVENUES		
Taxes		1,419,500
Investment Earnings		198,325
Miscellaneous		232
Total General Revenues		1,618,057
CHANGE IN NET POSITION		766,098
Net Position - Beginning, as Previously Reported		1,970,996
Restatement (See Note 6)		(3,579)
Net Position - Beginning of Year		1,967,417
NET POSITION - END OF YEAR	$	2,733,515

See accompanying Notes to Financial Statements.

CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)
BALANCE SHEET – GENERAL FUND
SEPTEMBER 30, 2025

ASSETS	
Cash and Cash Equivalents	$ 4,293,600
Investments	784,192
Accounts Receivable	3,898
Due from Other Funds	379
Prepaid Expenses	395
Assets Available for Sale	3,249,654
Total Assets	$ 8,332,118
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts Payable	$ 177,990
Accrued Liabilities	5,271
Total Liabilities	183,261
FUND BALANCE	
Nonspendable	395
Restricted for Community Redevelopment	8,148,462
Total Fund Balance	8,148,857
Total Liabilities and Fund Balance	$ 8,332,118

See accompanying Notes to Financial Statements.

CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balance as Shown on Previous Page	$ 8,148,857
Amounts reported for governmental activities in the statement of net position are different because of the following:	
Certain liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.	
Notes Payable	(5,398,000)
Compensated absence are not due and payable in the current period and, therefore, are not reported in the fund financial statements.	(17,342)
Net Position of Governmental Activities as Reported on the Statement of Net Position	$ 2,733,515

See accompanying Notes to Financial Statements.

CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 1,419,500	$ 1,419,500	$ 1,419,500	$ -
Miscellaneous:				
Investment Earnings	-	-	198,325	198,325
Other	-	-	232	232
Total Revenues	1,419,500	1,419,500	1,618,057	198,557
EXPENDITURES				
Current:				
Personnel Expenditures	278,218	278,218	272,538	5,680
Professional Services	109,700	109,700	-	109,700
Operating Expenditures	212,959	236,971	289,823	(52,852)
Promotional Marketing	15,000	20,000	21,551	(1,551)
Grant Programs	100,000	149,750	44,382	105,368
Payments to the City - Capital Projects	2,288,500	2,273,693	-	2,273,693
Debt Service:				
Principal	219,000	219,000	219,000	-
Interest	224,680	224,680	224,680	-
Total Expenditures	3,448,057	3,512,012	1,071,974	2,440,038
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,028,557)	(2,092,512)	546,083	2,638,595
NET CHANGE IN FUND BALANCE	(2,028,557)	(2,092,512)	546,083	2,638,595
Fund Balance - Beginning of Year	6,408,582	4,110,532	7,602,774	3,492,242
FUND BALANCE - END OF YEAR	$ 4,380,025	$ 2,018,020	$ 8,148,857	$ 6,130,837

See accompanying Notes to Financial Statements.

CITY OF SEBRING COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF SEBRING, FLORIDA)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balance as Shown on Previous Page	$ 546,083
Amounts reported for governmental activities in the statement of activities are different because of the following:	
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The following are differences in the treatment of long-term debt and related items.	
Payments on Debt	219,000
Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Net Change in Accrued Compensated Absences	1,015
Change in Net Position of Governmental Activities as Reported on the Statement of Activities	$ 766,098

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Sebring Community Redevelopment Agency (the CRA), a component unit of the City of Sebring, was established by City Resolution on September 1, 1981, as authorized by Chapter 163, Florida Statutes, to grow and develop the City of Sebring. The CRA's mission is:

- To bring about the economic revitalization of an established target area.
- To create a re-investment environment that attracts private investors into the area.
- To promote improvements within the redevelopment area through renovation and restoration of buildings, as well as to encourage new construction.
- To acquire the funding necessary to make the infrastructure improvements necessary to attract investment dollars and improve the assessed taxable value of district properties.
- To assist the Chamber of Commerce and Downtown Merchants in their efforts to market the downtown businesses.

The CRA district encompasses the downtown circle extending to the lake front; includes the blocks on either side of South Commerce Street to Highlands Avenue; extends north to Eucalyptus Street encompassing Park, Maple, Pomegranate, North Ridgewood, Grapefruit and Lemon Avenues; and jumps across the rail line to include much of the Washington Heights neighborhood. The area also includes nearby industrial uses and deteriorated residential areas in need of redevelopment in the vicinity of downtown Sebring. The district is approximately 650 acres which includes streets and rights-of-way.

The CRA is governed by a board that is comprised of seven community members that live or work in the City of Sebring. The commissioners are appointed by the City of Sebring City Council. Staff of the CRA are employed by the City of Sebring. The CRA is considered to be a discretely presented component unit in the City's financial statements.

As required by accounting principles generally accepted in the United States of America, these financial statements present the CRA and component units for which the CRA is financially accountable. The application of these criteria provides for identification of any entities for which the CRA is financially accountable and other organizations that 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 the application of these criteria, the CRA has determined that there are no component units.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The accounts of the CRA are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Currently, the CRA has only one fund, the General Fund. The General Fund is a major fund and is the operating fund of the CRA. It is used to account for all financial resources and expenditures.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on activities of the CRA. The CRA reports only governmental activities; it does not have any business-type activities.

Government-Wide and Fund Financial Statements

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 consist of charges for services, grants and contributions that are restricted to meeting an operational or capital requirement of a particular function. Payments received from taxes, insurance proceeds and other items not properly included as program revenues are reported as general revenues.

Separate financial information is provided for the governmental fund.

Measurement Focus and Basis of Accounting

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Data

The Following are the procedures in establishing the budget:

The CRA's executive director prepares the annual fiscal operating budget. The proposed budget is then presented to the CRA's board of directors for changes and final approval. Once adopted, the budget serves as legal authorization for expenditures.

Formal budgetary integration is employed as a management control device during the year for all governmental fund types. Budgets for the general fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Incremental Property Tax Revenue

The CRA's primary source of revenue is tax-increment funding. This revenue is computed by applying the respective tax rates for the City and Highlands County (County) multiplied by the increased value of property tax located within the boundaries of the redevelopment areas of the CRA in excess of the base property value.

The tax levy is established prior to October 1 of each year and the Highlands County Property Appraiser incorporates the millages established by the City and County into the total tax levy. All property is reassessed according to its fair value on January 1 of each year. All taxes are due and payable on November 1 (levy date) of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. 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.

Delinquent taxes on real property bear interest of up to 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Assets Available for Sale

Assets available for sale including land, buildings and improvements are recorded at the lower of cost or net realizable value. Cost is determined by acquisition price if purchased, or at estimated acquisition value at the date of contribution, if contributed.

At September 30, 2025, $3,249,654 represents the value of the property that is held for resale.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The CRA permits full-time employees to accumulate limited vacation and sick leave. Upon separation, employees are paid for all unused vacation leave; however, no sick leave is paid. In accordance with GASB Statement No. 101, a liability is recognized for compensated absences when leave has been earned and it is more likely than not that it will be used or paid upon separation. The liability is measured using current pay rates, including applicable salary-related payments. These liabilities are liquidated in the fund where the related payroll costs are recorded.

Fund Balances

Governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – Amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Not in spendable form includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally long-term items such as advances to other funds or amounts that are required to be maintained intact (corpus of a permanent fund).

Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resources 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 Fund Balance – Amounts that can be used only for specific purposes determined by a formal action (resolution) of the board, the CRA’s highest level of decision-making authority. Commitments may be changed or lifted only by the board taking the same formal action (resolution) that imposed the constraints originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and nonrecurring.

Assigned Fund Balance – Amounts intended to be used by the CRA for specific purposes. According to the CRA’s fund balance policy, this includes spendable fund balance amounts established by the board or CRA Management that are neither restricted nor committed. The CRA’s fund balance policy does not describe the specific action required to assign fund balance.

Unassigned Fund Balance – Includes the residual classification for the general fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes within the general fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the CRA considers restricted to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

The CRA's fund balance is restricted for community redevelopment.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the CRA or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the Unites States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 DEPOSITS AND INVESTMENTS

Cash, cash equivalents, and investments as of September 30, 2025, consisted of:

Deposits	$ 4,130,416
Florida PRIME	947,376
Total Cash, Cash Equivalents, and Investments	$ 5,077,792

Custodial Credit Risk

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the CRA will not be able to recover the value of its deposits and securities that are in the possession of an outside party. Bank balances of the CRA's deposits at September 30, 2025 were $4,130,416.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

All balances in excess of the Federal Deposit Insurance Corporation (FDIC) for demand and time deposits are fully collateralized pursuant to Chapter 280, Florida Statutes. The City's investment policy requires that the deposit be entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss. Other than the preceding, the CRA has no policy on custodial credit risk.

The CRA invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration, under the regulatory oversight of the state of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form.

Throughout the year and as of September 30, 2025, Florida PRIME contained certain floating and adjustable-rate securities. These investments represented 27.90% of Florida PRIME's portfolio at September 30, 2025.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent.

The dollar weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2025 was 47 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2025 was 73 days. Investments in Florida PRIME must carry an AAAm rating from Standard and Poor's. On September 30, 2025, Standard and Poor's Ratings Services assigned the Florida PRIME an AAAm principal stability funding rating.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2025, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Credit Risk

The CRA has no policy on credit risk. Investments at fair value and corresponding credit risk rating as of September 30, 2025, are as follows:

Investment Type	Amount	Credit Rating
CDs:		
Fixed	$ 784,192	NR[1]
Total	$ 784,192	

[1] Not Rated

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. Debt and equity securities classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value (Continued)

Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets.

Investments classified as Level 3 of the fair value hierarchy reflect prices based upon unobservable inputs for an asset or liability. Fixed income classified as Level 3 are prices from the custodian bank's external pricing vendors or an alternative pricing source, utilizing inputs such as stale prices, cash flow models, broker bids, or cost.

The City had the following fair value measurements as of September 30, 2025:

Investments Measured at $1	
Qualified Public Deposits:	
Certificates of Deposit	$ 784,192
Total Investments	$ 784,192

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City has no policy on interest rate risk. Investments and related level of risk at September 30, 2025 are as follows:

	Investment Maturities (in Years)				
Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
Certificates of Deposit	$ 784,192	$ 784,192	$ -	$ -	$ -
Total	$ 784,192	$ 784,192	$ -	$ -	$ -

NOTE 3 COMMITMENTS AND SUBSEQUENT EVENTS

Other significant commitments include encumbrances outstanding totaling $42,966.

NOTE 4 LONG-TERM DEBT

Long-term liability activity for the CRA for the year ending September 30, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Long-Term Portion
Governmental Activities:						
Direct Placements	$ 5,617,000	$ -	$ 219,000	$ 5,398,000	$ 228,000	$ 5,170,000
Compensated Absences	18,357	-	1,015	17,342	4,320	13,022
Total	$ 5,635,357	$ -	$ 220,015	$ 5,415,342	$ 232,320	$ 5,183,022

For governmental activities, compensated absences are liquidated by the General Fund and above is presented as net change.

The annual requirements to amortize the debt outstanding as of September 30, 2025, were as follows:

	Direct Placements		
Year Ending September 30,	Principal	Interest	Total
2026	$ 228,000	$ 215,920	$ 443,920
2027	237,000	206,800	443,800
2028	246,000	197,320	443,320
2029	256,000	187,480	443,480
2030	267,000	177,240	444,240
2031-2035	1,501,000	717,440	2,218,440
2036-2040	1,826,000	392,200	2,218,200
2041-2042	837,000	50,560	887,560
Total	$ 5,398,000	$ 2,144,960	$ 7,542,960

Direct Placement – Capital Improvement Revenue Note, Series 2022

Description	Amount
$6,000,000 Capital Improvement and Refunding Revenue Note, Series 2022, payable at 4% interest; annual principal payments between $172,000 and $427,000 beginning April 1, 2023 through April 1, 2042; interest paid yearly; secured by incremental tax revenues. In the event of default, the Note shall bear interest at the default rate and all payments made on the note during such period shall be applied first to interest and then to principal.	$ 5,398,000

NOTE 5 RISK MANAGEMENT

The CRA is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against this risk the CRA is insured through the City's policy with Public Risk Management of Florida (PRM). The CRA is liable for the risk of loss of $10,000 per occurrence. Insurance settlements have not exceeded insurance coverage in any of the three prior fiscal years.

NOTE 6 CHANGE IN ACCOUNTING PRINCIPLE

Effective October 1, 2024, the City implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated absences liability as of October 1, 2024 was restated by $3,579 in the governmental activities.

	Governmental Activities
October 1, 2024 As Previously Reported	$ 1,970,996
Adoption of GASB 101	(3,579)
October 1, 2024, As Adjusted or Restated	$ 1,967,417

INDEPENDENT AUDITORS' 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*

Board of Directors
City of Sebring Community Redevelopment Agency
Sebring, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the City of Sebring Community Redevelopment Agency (the CRA), a component unit of the City of Sebring, 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 June 29, 2026.

Report on Internal Control Over Financial Reporting

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

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 have not been identified.

Board of Directors
City of Sebring Community Redevelopment Agency

Report on 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 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 CRA’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
June 29, 2026

MANAGEMENT LETTER

Board of Directors
City of Sebring Community Redevelopment Agency
Sebring, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Sebring Community Redevelopment Agency (the CRA), a component unit of the City of Sebring, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 29, 2026.

Auditors' 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 Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 29, 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 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. Information regarding the specific legal authority for the entity is contained in Note 1 to the financial statements.

Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated in the CRA's geographical boundaries. PACE program did operate within the CRA's geographical boundaries during the fiscal year under audit.

The Program Administrators and Third Party Administrators contact information is included in Appendix A.

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. The CRA contains no component units.

Special District Specific Information (Unaudited)

As required by Section218.39 (3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the CRA reported:

a. The total number of district employees compensated in the last pay period of the district's fiscal year as three.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as -0-.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $183,632.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $-0-.

e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as $-0-.

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes. See the statement of revenues, expenditures, and changes in fund balance.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
June 29, 2026

Appendix A
Listing of PACE Programs
September 30, 2025
(Unaudited)

Program	Program Administrator	Third Party Administrator
Florida Green Finance Authority	Florida Green Finance Authority	Renew Financial Group LLC
James Candela	Special District Services, Inc	555 12 ST Suite 1650
Assistant District Finance Director	2501 A Burns Road	Oakland, CA 94607
Special District Services, Inc	Palm Beach Gardens, FL 33410	Attn: David Crichton, Chief Operating Officer
2501 A Burns Road	Attn: Todd Wodraska, Manager and Secretary	Phone: (844) 736-3934
Palm Beach Gardens, FL 33410	Phone: (561) 630-4922	
www.sdsinc.org		

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT ACCOUNTANTS' REPORT

Board of Directors
City of Sebring Community Redevelopment Agency
and the Florida Auditor General
Sebring, Florida

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

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

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

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 Section 218.415, Florida Statutes, regarding the investment of public funds; and Sections 163.387(6) and (7), Florida Statutes, regarding community redevelopment agencies; during 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
June 29, 2026