2025

City of Melbourne

Olde Eau Gallie Riverfront Community Redevelopment Agency (CRA)

CRA Annual Report

2025 Olde Eau Gallie Riverfront CRA Annual Report

Two Community Redevelopment Areas (CRAs) are located within the City of Melbourne: the Melbourne Downtown CRA and the Olde Eau Gallie Riverfront CRA. This report provides an overview of activities within the Olde Eau Gallie Riverfront CRA during the FY 2025 reporting period (October 1, 2024–September 30, 2025). It includes general information, current and completed projects, and financial data in accordance with the requirements of Chapter 163.371, Florida Statutes.

A district map identifying the CRA is included in Appendix A. Specific financial information, such as assets, liabilities, income and operating expenses of the Olde Eau Gallie Riverfront CRA trust fund, are part of this report. Balance sheets and statements of revenues and expenditures for the Eau Gallie CRA are found in Appendix B. The 2025 Eau Gallie CRA audit report, as required in Chapter 163.378(8), Florida Statutes, is found in Appendix C.

Information related to the Olde Eau Gallie Riverfront CRA, including annual reports, redevelopment plans, budgets, program information, and reporting requirements are located on the City of Melbourne's web site with the following link on the City's home page:

https://www.melbourneflorida.org/Government/Departments/Community-Development/Community-Redevelopment-Areas

Olde Eau Gallie Riverfront CRA

The Olde Eau Gallie Riverfront CRA was established in 2000 and was expanded in 2005 and 2015 through redevelopment plan amendments. In 2021, Brevard County revised their delegation of authority, and subsequently the City of Melbourne amended the redevelopment plan. The area contained within the CRA boundary is approximately 297 acres and is shown on the map in Appendix A.

Applicable resolutions and ordnances related to the CRA creation, the redevelopment plan, and plan amendments include the following:

- Brevard County Resolution No. 2000-249
- City of Melbourne Resolution No. 1657
- City of Melbourne Ordinance No. 2001-23
- City of Melbourne Resolution No. 1939
- City of Melbourne Ordinance No. 2005-77
- City of Melbourne Ordinance No. 2014-15
- City of Melbourne Ordinance No. 2015-31
- Brevard County Resolution No. 2021-083
- City of Melbourne Ordinance No. 2021-37

The Olde Eau Gallie Riverfront CRA Board is comprised of the seven members of the Melbourne City Council[1]. The CRA is staffed by the Community Development Department of the City of Melbourne.

Tax Increment Finance (TIF) revenues have increased at a rate of 13% mainly due to higher property valuations resulting from increased private investment. Table 1 indicates valuations from the base year and January 1, 2026[2]. The current 2025-2026 revenue from tax increment and interest income is $1,194,785 which supports the current programmed CRA capital project.

TABLE 1 - OLDE EAU GALLIE RIVERFRONT CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2025
Area 1	2000	$16,958,230	$77,889,504
Area 2	2005	$44,041,890	$108,109,982
Area 3	2015	$771,910	$3,125,060
Totals		**$61,772,030.00**	**$189,124,546.00**

[1] CRA Board members periodically change upon City Council election cycles. The current Melbourne City Council members may be found at the following link: https://www.melbourneflorida.org/Government/City-Council

[2] Valuation of the reporting year (January 2026) is based upon the most recent DR420 TIF Form, certification of taxable value.

The Eau Gallie CRA district is located within census tracts 642.01 and 642.02. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies both census tracts as targeted populations and low-income communities.[3] By this classification, these census tracts lack private capital investment because of their deficient demographics including income, poverty, and unemployment as compared with the metropolitan statistical area and national averages. Table 2 provides a summary of these CDFI targeted census populations.

TABLE 2 - OLDE EAU GALLIE RIVERFRONT CRA CENSUS INFORMATION

Census Tract	Median Income as % of Area Median	Poverty Rate	Unemployment Rate	Investment Area (IA) Qualified By CDFI
642.01	78.16%	12.40%	7.7%	yes
642.02	44.68%	25.4%	1.9%	yes

Total expenditures from the redevelopment trust fund in FY 2025 were $0. There was no expenditure for operating, capital projects, or debt service. The total tax increment and investment earnings in 2025 was transferred into escrow for future debt service.

No funds were expended for affordable housing for low- and middle-income residents.

Projects and Programs

An ***Interlocal Agreement, Delegation of Authority and CRA Plan Amendment*** were approved in 2021. The Brevard County Commission revised their original delegation of authority to Melbourne City Council under Resolution No. 2021-083. The County and City agreed to allow for the extension of the CRA agency to 2038, specifically to construct and fund a public parking facility within Downtown Eau Gallie. Additionally, the interlocal agreement provides allowance for CRA bond financing for the project. A CRA redevelopment plan amendment was approved under Ordinance No. 2021-37, formalizing the terms of the interlocal agreement. The amendment extends the sunset date, establishes a public parking facilities capital project, and eliminates all existing programs, projects and initiatives outlined the 2001 “Olde Eau Gallie Riverfront Urban Infill and Community Redevelopment Plan” document. The CRA redevelopment plan also provides for the consideration of a public-private partnership to construct the garage.

The Olde Eau Gallie Riverfront CRA continues to utilize its resources to achieve goals set forth in the redevelopment plan by setting aside funding to construct the parking facility. The extent to which the CRA achieved its goals in FY 2024-2025 includes:

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[3] Source: U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI), 2020 census data. *Targeted population* refers to individuals or an identifiable group of individuals meeting the requirements of 12 C.F.R. § 1805.201(b)(3). According to the regulations, *targeted population* shall mean individuals, or an identifiable group of individuals, who are Low-Income persons or lack adequate access to financial products or financial services in the service area.

- The ***EGAD Main Street Program*** the CRA discontinued funding the main street program after FY 2022, because of the interlocal agreement between the City of Melbourne and Brevard County. The CRA Redevelopment Plan amendment essentially eliminated all CRA projects and programs apart from the Eau Gallie Public Parking Facilities Project. In lieu of CRA funding, City Council made the decision in 2023 to fund EGAD Main Street through the City's General Fund. City Council approved the renewal of the annual agreement for FY 2025. While not funded with CRA resources, EGAD Main Street is fulfilling the intent of the original CRA redevelopment plan, which encouraged a main street program in the district to assist with redevelopment efforts (Images 1 & 2).

During the reporting period there was only one project under development. No projects were completed. Information related to expenditure and estimated costs can be found in Table 3.

TABLE 3 - OLDE EAU GALLIE RIVERFRONT CRA PROJECT LIST

Project	Name	FY 2025 Expenditure	Estimated Cost	Status
1	Eau Gallie Parking Facilities	$0	$12,075,000	Started

Goals

Consistent with the current interlocal agreement between Brevard County and the City of Melbourne, the CRA has the following goals for 2025 and Beyond:

- Continue predevelopment for a public parking garage in Downtown Eau Gallie, with consideration of a shared structured parking facility under a public-private partnership.
- Update the terms of the interlocal agreement with Brevard County to reflect current costs and efficiencies that are not reflected within the existing agreement.

Project and Program Images

Images 1 & 2- EGAD Main Street

Appendix A – Map


Olde Eau Gallie Riverfront CRA
Olde Eau Gallie
Riverfront CRA
Eau Gallie
Montreal Ave
Eau Gallie River
Old Oak St
Shady Ln
Orange St
Sunset Dr
Alpine Dr
McClendon St
Coleman St
Eau Gallie Cemetery
Bay Point Dr
Spiller St
Hemlock St
Placid Dr

Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
SEPTEMBER 30, 2025

ASSETS		
Equity in pooled investments	$	5,660,630
Interest receivable		36,324
Total assets	$	5,696,954
FUND BALANCE		
Restricted fund balance		5,696,954
Total liabilities and fund balance	$	5,696,954

The accompanying notes are an integral part of this statement.

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

REVENUES	
Intergovernmental	$ 1,057,615
Investment earnings	172,157
Total revenues	1,229,772
EXPENDITURES	
Total expenditures	-
Excess of revenues over expenditures	1,229,772
Net change in fund balance	1,229,772
Fund balance, October 1	4,467,182
Fund balance, September 30	$ 5,696,954

The accompanying notes are an integral part of this statement.

REQUIRED SUPPLEMENTARY INFORMATION
OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ 1,057,615	$ 1,057,615	$ 1,057,615	$ -
Investment earnings	-	-	172,157	172,157
Total revenues	1,057,615	1,057,615	1,229,772	172,157
EXPENDITURES				
General government	1,057,615	1,057,615	-	1,057,615
Capital outlay	8,715,668	8,715,668	-	8,715,668
Total expenditures	9,773,283	9,773,283	-	9,773,283
Excess of revenues over expenditures	(8,715,668)	(8,715,668)	1,229,772	9,945,440
OTHER FINANCING USES				
Future bond proceeds	6,835,000	6,835,000	-	(6,835,000)
Total other financing sources (uses)	6,835,000	6,835,000	-	(6,835,000)
Net change in fund balance	(1,880,668)	(1,880,668)	1,229,772	3,110,440
Fund balance, October 1	4,467,182	4,467,182	4,467,182	-
Fund balance, September 30	$ 2,586,514	$ 2,586,514	$ 5,696,954	$ 3,110,440

Appendix C – CRA Audited Trust Funds

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

PICTURED ABOVE IS AN AERIAL EAU GALLIE LOOKING EAST

2025

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of the Olde Eau Gallie Community Redevelopment Agency, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Olde Eau Gallie Community Redevelopment Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Olde Eau Gallie Community Redevelopment Agency, as of September 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 7 and 21 – 23 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2026 on our consideration of the Olde Eau Gallie Community Redevelopment Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Olde Eau Gallie Community Redevelopment Agency's internal control over financial reporting and compliance.

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

Melbourne, Florida
March 17, 2026

The Management's Discussion and Analysis section provides a narrative overview of the Olde Eau Gallie Riverfront Community Redevelopment Agency (the "Agency") financial activities for fiscal year ending September 30, 2025. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the Agency's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the Agency.

Overview

The purpose of the Olde Eau Gallie Riverfront Community Redevelopment Agency is to eliminate slum and blighted conditions within the identified redevelopment area pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue is computed by applying the operating tax rate for the City of Melbourne (the "City") and Brevard County (the "County"), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Further, the governing body of the Olde Eau Gallie Riverfront Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Olde Eau Gallie Riverfront Redevelopment Advisory Committee.

The Agency was established in 2001, by the City of Melbourne, Florida under the provisions of Section 163.333 Florida Statutes.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other 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 Agency's finances, in a manner similar to a private-sector business.

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

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

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency 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 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 Agency's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The Agency adopts an annual appropriated budget. A budgetary comparison statement has been provided as part of Required Supplementary Information, to demonstrate compliance with this budget.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Agency's budget.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by $6,196,604.

The net investment in capital assets represents $499,650 of the net position. These assets are not available for future spending. The restricted net position represents resources that are subject to restrictions on how the money can be spent. The unrestricted net position represents the amount the liabilities exceed existing current and other assets.

Statement of Net Position

	Governmental Activities 2025	Governmental Activities 2024	Increase (Decrease) Amount
Assets			
Current and other assets	$ 5,696,954	$ 4,467,182	$ 1,229,772
Capital assets	499,650	499,650	-
Total assets	6,196,604	4,966,832	1,229,772
Liabilities			
Other liabilities	-	-	-
Total liabilities	-	-	-
Net position			
Net investment in capital assets	499,650	499,650	-
Restricted	5,696,954	4,467,182	1,229,772
Total net position	$ 6,196,604	$ 4,966,832	$ 1,229,772

Key elements of the increase in net position are as follows:

Changes in Net Position

	Governmental Activities 2025	Governmental Activities 2024	Increase (Decrease) Variance	Increase (Decrease) Percent
Revenue:				
Program revenue:				
Grants and contributions	$ 1,057,615	$ 936,336	$ 121,279	13%
General revenue:				
Investment earnings	172,157	118,448	53,709	45%
Total revenues	1,229,772	1,054,784	174,988	17%
Expenses:				
General government	-	-	-	-
Total expenses	-	-	-	-
Increase in net position	1,229,772	1,054,784	174,988	17%
Net position - October 1	4,966,832	3,912,048	1,054,784	27%
Net position - September 30	$ 6,196,604	$ 4,966,832	$ 1,229,772	25%

Financial Analysis of the Agency's Funds
As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency's financing requirements.

As of the end of the fiscal year, the Agency's governmental fund reported an ending restricted fund balance of $5,696,954, an increase of $1,229,772 in comparison with the prior year. The increase resulted from an inter local agreement between Brevard County, City of Melbourne and Olde Eau Gallie CRA, which extends the Eau Gallie CRA for the sole purpose of building a parking structure.

Budgetary Highlights

The following is a brief review of the budget changes from the original to the final amended budget, and a review of the final amended budget and actual amounts (presented on a budgetary basis).

The variance between the final budget and the actual results reflects total revenues of $172,157 more than appropriated, total expenditures of $9,773,283 less than appropriated, and bond proceeds $6,835,000 less than appropriated. These factors caused the change in fund balance to be $3,110,440 higher than budgeted.

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2025 total $499,650 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

Capital Assets

	Governmental Activities	
	2025	2024
Land	$ 480,050	$ 480,050
Construction in Progress	19,600	19,600
Total capital assets, net of depreciation/amortization	$ 499,650	$ 499,650

Additional information on the Agency's capital assets can be found in Note (3) B.

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

Requests for Information

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

City of Melbourne
Financial Services Department
900 E. Strawbridge Ave.
Melbourne, FL 32901
Telephone: (321) 608-7011

Or visit our website at: www.melbourneflorida.org/departments/community-development/community-redevelopment-areas

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

ASSETS		**Governmental Activities**
Investments	$	5,660,630
Interest receivable		36,324
Capital assets:		
Nondepreciable:		
Land		480,050
Construction in progress		19,600
Depreciable:		
Improvements other than buildings		327,353
Less accumulated depreciation/amortization		(327,353)
Total assets	$	6,196,604

NET POSITION		
Net investment in capital assets	$	499,650
Restricted		5,696,954
Total net position	$	6,196,604

The accompanying notes are an integral part of this statement.

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

		Program Revenues	Net Revenues and Changes in Net Position
Functions/Programs	**Expenses**	**Operating Grants and Contributions**	**Governmental Activities**
CRA government:			
Governmental activities:			
General government	$ -	$ 1,057,615	$ 1,057,615
Total	$ -	$ 1,057,615	1,057,615
General Revenues:			
Interest earnings			172,157
Total general revenues			172,157
Change in net position			1,229,772
Net position, October 1			4,966,832
Net position, September 30			$ 6,196,604

The accompanying notes are an integral part of this statement.

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2025

ASSETS	
Equity in pooled investments	$ 5,660,630
Interest receivable	36,324
Total assets	$ 5,696,954
FUND BALANCE	
Restricted fund balance	$ 5,696,954
Total liabilities and fund balance	$ 5,696,954

The accompanying notes are an integral part of this statement.

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total *fund balance* for governmental fund				$ 5,696,954
Total *net position* reported for governmental activities in the statement of net position is different because:				
Capital assets used in governmental activites are not financial resources and, therefore, are not reported in the fund. Those assets consist of:				
	Balance	Accumulated Depreciation/ Amortization		
Land	$ 480,050	$ -		
Construction in progress	19,600	-		
Improvements	327,353	(327,353)		
Total capital assets	$ 827,003	$ (327,353)		499,650
Net position of governmental activities				$ 6,196,604

The accompanying notes are an integral part of this statement.

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

REVENUES	
Intergovernmental	$ 1,057,615
Investment earnings	172,157
Total revenues	1,229,772
EXPENDITURES	
Total expenditures	-
Excess of revenues over expenditures	1,229,772
Net change in fund balance	1,229,772
Fund balance, October 1	4,467,182
Fund balance, September 30	$ 5,696,954

The accompanying notes are an integral part of this statement.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Olde Eau Gallie Riverfront Community Redevelopment Agency's (the "Agency") financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. Reporting Entity

Eau Gallie Community Redevelopment Agency was created under Resolution No. 1627 on September 12, 2000. The Olde Eau Gallie Riverfront Community Redevelopment Agency was established in 2001 by the City of Melbourne, Florida (the "City") under the provisions of Section 163.333, Florida Statutes.

The governing body of the Olde Eau Gallie Riverfront Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Olde Eau Gallie Riverfront Redevelopment Advisory Committee.

For financial reporting purposes, the Agency is a component unit of the City of Melbourne (the "primary government") and is thus included in the City's annual comprehensive financial report as a blended component unit. This report is not a complete presentation of the City of Melbourne.

B. Government-Wide and Fund Financial Statements

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide financial statements and fund financial statements. 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 services. The Agency does not have any business-type activities and has only governmental activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Agency.

The statement of net position, reports the assets and liabilities, including capital assets and long-term debt. Within this statement, the net position of the Agency (assets minus liabilities) is reported in two separate components – net investment in capital assets and restricted net position.

The statement of activities demonstrates the degree to which the direct expenses, including depreciation, are offset by program revenues and operating and capital grants. The statement then reports the extent to which the resulting net costs (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.).

Fund financial statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in an individual fund within the City's accounting system. The fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, reserves, fund equity, revenues and expenditures of the fund. For purposes of this report, the Agency's fund is classified as a major governmental fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Basis of accounting refers to when revenues, expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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.

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 Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants, for which the period is 12 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of equity in pooled investments. Investments are stated at fair value, based on the quoted market price.

2. Pooled Cash

Equity in pooled cash consists primarily of investments in debt instruments of the federal government and corporate holdings. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant fund's investment to the total pooled investment. As of September 30, 2025, the Agency participated in pooled cash investments with the City of Melbourne.

3. Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities' column in the government-wide financial statements. Capital assets, other than equipment, are defined by the government as assets with an initial, individual cost of more than $25,000 (amount not rounded) and an estimated useful life in excess of two years. Equipment is defined as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value of market transaction at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or materially extend the life of the respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

Classification	Range of Lives
Buildings	20-40 years
Improvements other than buildings	10-25 years

E. Fund Balance

In the governmental fund, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balance is reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental fund. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide fund is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third-party limitations on its use.

The Agency applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. Revenues

Intergovernmental Revenue -The Agency's primary source of revenue is tax increment funds collected from the City and Brevard County deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at $10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is $25,000. The incremental difference in value (new assessed value – base year value) is $15,000. Taxes collected on the property will be split amongst the City and County. The Agency receives all taxes assessed on the incremental increase of $15,000. Revenues generated by improvements in the Agency district are to be reinvested in the district to continue to spur redevelopment.

Assessed values are established by the Brevard County Property Appraiser. The assessed property value recognized by the City and Brevard County includes the second homestead exemption. The City and Brevard County are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue - In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

G. Use of estimates

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

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the Agency's budgetary information.

As of September 30, 2025, there were no material violations of budgetary requirements.

(3) DETAILED NOTES

A. Deposits and Investments

Deposits –Banks and savings and loans must meet the criteria to be a qualified public depository as described in the Florida Security for Public Deposits Act in accordance with Chapter 280, Florida Statutes before any investment of public funds can be made with them. At September 30, 2025, the carrying amount of the City of Melbourne's deposits with banks was $9,435,306 and the bank balance was $8,676,659.

As of September 30, 2025, all of the City's interest-bearing bank balances are covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City's pursuant to Section 280.08, Florida Statutes.

The City maintains a pool of cash and investments in which each fund, including the Agency, participates on a daily transaction basis. Investment earnings are distributed monthly based on average daily balances.

City daily deposits are deposited in Earnings Credit Rate (ECR) earning accounts. These accounts are fully collateralized in accordance with Florida state law.

City of Melbourne Investment Policy – Pursuant to the requirements of Section 218.415, Florida Statutes, the City of Melbourne adopted Resolution No. 4088 on April 12, 2022, establishing the City's present investment policy. Such investment policy applies to the investment of surplus funds, which include cash and investment balances of the following funds of the City: General, Capital Projects, Special Revenue, Enterprise, Internal Service, Trust and Agency, and Airport. The investment policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, and redemption or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. This policy does not apply to funds not under control of the City; such as, the Police Officers' Retirement System, the Firefighters' Retirement System, and the General Employees' and Special Risk Class Employees' Pension Plan.

All investments are made based on reasonable research as to credit quality, liquidity and interest rate risk prior to the investment being acquired.

The investment policy authorizes the City to invest in U.S. Government securities, agencies, Federal instrumentalities and Supra-nationals, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, interest bearing time deposits or savings accounts, commercial paper, corporate notes, banker's acceptances, and State or local government taxable or tax-exempt debt, and an intergovernmental investment pool. Overnight repurchase agreements restrict investments to obligations of U.S. Government Agencies and Federal instrumentalities.

The investment policy provides maturity and liquidity requirements for investments. All investments other than investments in the Local Government Surplus Funds Trust Fund are required to be purchased pursuant to competitive bids. A maximum of 25% of available funds may be invested in the Local Government Surplus Funds Trust Fund. The policy also requires diversification of the investment portfolio to control the risk of loss from overconcentration of assets in a specific maturity, issuer, instrument, dealer, savings and loan, or bank through which investments are purchased. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy restricts portfolio composition for federal instrumentalities to 100% total, 40% individually. Concentration percentages for the Federal instrumentalities are provided in the schedule. Currently, the investment of a significant portion of the City's and Airport's portfolios is being managed by the City's financial advisor, PFM Asset Management LLC.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City's investment policy states that all securities, with the exception of certificates of deposits, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The third-party custodian holds securities in an account separate and apart from the assets of the financial institution, and are either insured or registered in the City's name.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market conditions. As a means to limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits its investment portfolio to maturities of less than 5.5 years for corporate notes, two years for time deposits, and 270 days for commercial paper.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As a means to limiting its exposure to credit risk, the City's limits investments with credit quality ratings from nationally recognized rating agencies of:

- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "MIG 1/A3" by Moody's Investors Services and "SP-1/A-" by Standard & Poor's for long-term debt.

- Corporates and/or commercial paper of any United States company that is rated, at the time of purchase, "P-1" by Moody's and "A-1" by Standard & Poor's.

- Money Market Mutual Funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.

- Local Government Surplus Funds Trust Fund money market funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.

- The Agency's equity in pooled investments is all in the money market funds.

B. Capital Assets

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

	Balance October 1, 2024	Additions	Deletions	Balance September 30, 2025
Government Activities				
Capital assets, not being depreciated:				
Land	$ 480,050	$ -	$ -	$ 480,050
Construction in Progress	19,600	-	-	19,600
Total capital assets, not being depreciated/amortized	499,650	-	-	499,650
Capital assets, being depreciated/amortized:				
Improvements other than buildings	327,353	-	-	327,353
Total capital assets, being depreciated/amortized	327,353	-	-	327,353
Less accumulated depreciation/amortization for:				
Improvements other than buildings	327,353	-	-	327,353
Total accumulated depreciation/amortization	327,353	-	-	327,353
Total capital assets, being depreciated/amortized, net	-	-	-	-
Governmental activities capital assets, net	$ 499,650	$ -	$ -	$ 499,650

Depreciation/amortization expense was charged to functions/programs of the CRA as follows:

General government	$ -

C. Encumbrance Commitments

At September 30, 2025, the Agency had no encumbrance commitments in the Governmental fund.

D. Interfund Transactions

At September 30, 2025, the Agency had no interfund transfers.

(4) OTHER INFORMATION

A. Risk Management

The Agency is exposed to various risks of loss related to torts; theft of or damage to and destruction of assets; errors and omissions; and natural disasters. The primary government purchases commercial insurance with various deductibles for different types of losses. The costs for this insurance program are accounted for in the insurance internal service fund of the primary government.

REQUIRED SUPPLEMENTARY INFORMATION
CITY OF MELBOURNE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
OLDE EAU GALLIE REDEVELOPMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget-Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ 1,057,615	$ 1,057,615	$ 1,057,615	$ -
Investment earnings	-	-	172,157	172,157
Total revenues	1,057,615	1,057,615	1,229,772	172,157
EXPENDITURES				
General government	1,057,615	1,057,615	-	1,057,615
Capital outlay	8,715,668	8,715,668	-	8,715,668
Total expenditures	9,773,283	9,773,283	-	9,773,283
Excess of revenues over expenditures	(8,715,668)	(8,715,668)	1,229,772	9,945,440
OTHER FINANCING USES				
Future bond proceeds	6,835,000	6,835,000	-	(6,835,000)
Total other financing sources (uses)	6,835,000	6,835,000	-	(6,835,000)
Net change in fund balance	(1,880,668)	(1,880,668)	1,229,772	3,110,440
Fund balance, October 1	4,467,182	4,467,182	4,467,182	-
Fund balance, September 30	$ 2,586,514	$ 2,586,514	$ 5,696,954	$ 3,110,440

BUDGETARY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City Council typically adopts an annual budget for the Agency. The budget is prepared on a modified accrual basis with encumbrance accounting. Budgetary control is legally maintained at the fund level. Budget transfer authority is provided to the City Manager within a fund as long as the total budget of the fund is not increased. City Council action is required for the approval of a supplemental budget.

Supplemental appropriations were made during the year and all budget amounts presented in the accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance have been adjusted for legally authorized revisions of the annual budget. All appropriations which are not expended, encumbered, or committed lapse at year end. Encumbered appropriations are carried forward to the subsequent year's budget.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are carried forward to the next year's budget and are reported as restricted or assigned fund balance in the governmental fund financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations are presented in accordance with generally accepted accounting principles (GAAP basis) and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the City's legally adopted budget.

A – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Revenues

Actual amounts (budgetary basis) of total revenues as reported on the statement of revenues, expenditures and changes in fund balances - budget and actual equal total revenues as reported on the statement of revenues, expenditures, and changes in fund balance.

Expenditures

Actual amounts (budgetary basis) "total expenditures" as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual		
Differences - budget to GAAP:	$	-
Encumbrances for professional services, supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies and services are received for *financial reporting* purposes.		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance	$	-

B – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

The budgetary schedules present comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences in the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis) as compared to the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis) for the year ended September 30, 2025 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis)	$	5,696,954
Adjustments:		
Encumbrances		-
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis)	$	5,696,954

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

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Olde Eau Gallie Community Redevelopment Agency, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Olde Eau Gallie Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 17, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Melbourne, Florida
March 17, 2026

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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Olde Eau Gallie Community Redevelopment Agency, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 17, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 17, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

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.

Specific Information (UNAUDITED)

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

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

a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as **None**

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency' fiscal year as **None**

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency. **None**

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency. **None**

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

Project	**Project Budget**	**Expenditures**
(#10521) Eau Gallie Parking Facilities	$ 8,739,468	$ 23,800
Total	$ 8,739,468	$ 23,800

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes.: **See Page 21**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Olde Eau Gallie Community Redevelopment Agency reported:

a. The millage rate or rates imposed by the City. **6.5466**
The millage rate or rates imposed by the County. **2.9207**

b. The total amount of ad valorem taxes collected by or on behalf of the Agency. **$ 731,336**
The total amount of ad valorem taxes collected by or on behalf of the County. **$ 326,279**

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

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency
Page Four

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the Olde Eau Gallie Community Redevelopment Agency reported:

a. The rate or rates of non-ad valorem special assessments imposed by the Agency as **None**

b. The total amount of special assessments collected by or on behalf of the Agency as **None**

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

Property Assessed Clean Energy (PACE) Programs

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

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 are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

Melbourne, Florida
March 17, 2026

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND SECTION 163.387(7), FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

We have examined the Olde Eau Gallie Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2025. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Agency complied with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2025, in all material respects.

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

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

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

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

We have examined the Olde Eau Gallie Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2025. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Agency complied with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2025, in all material respects.

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

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

Melbourne, Florida
March 17, 2026