



2024

COMMUNITY REDEVELOPMENT AGENCIES

ANNUAL REPORT



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CRA BOUNDARIES

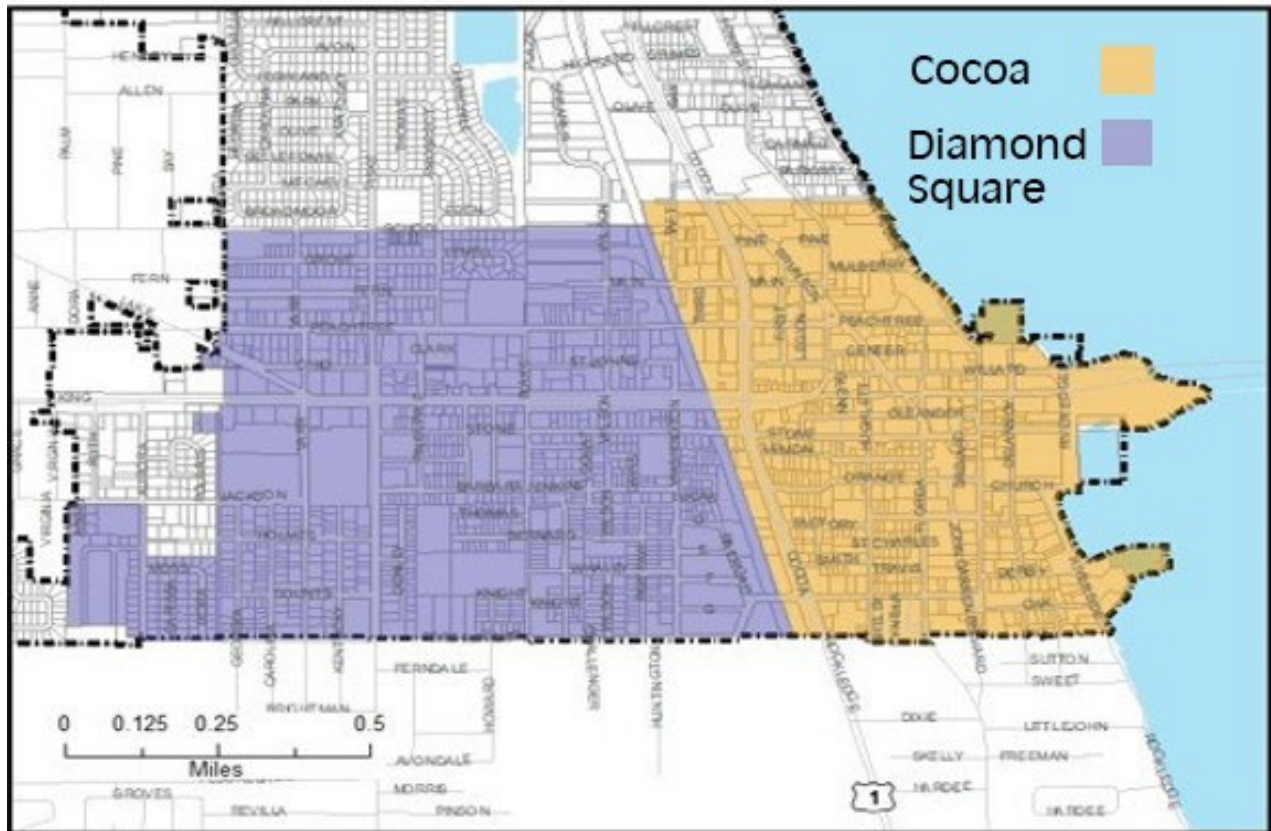


Figure 1 - Community Redevelopment Areas

OVERVIEW

Under Florida's Community Redevelopment Act (F.S. 163, Part III), the City of Cocoa established two Community Redevelopment Agencies (CRAs):



Cocoa CRA

City of Cocoa Ordinance No. 10-81,
Apr 14, 1981



Diamond Square CRA

City of Cocoa Ordinance No. 13-98,
March 24, 1998 (delegated authority by Brevard County BOCC)

Section 163.345, F.S., encourages the rehabilitation or redevelopment of the community redevelopment area by private enterprise and s. 163.287(6), F.S., governs the expenditures of redevelopment trust funds.

Additionally, section 163.370 (2)(c), F.S., governs the community redevelopment and related activities that a CRA may undertake with the community redevelopment area. Consistent with Cocoa CRA's respective community redevelopment plans, agencies offer or have participated in the following general activities and programs:

- Infrastructure – engineering, design, and construction
- Stormwater improvements
- Streetscape design and construction
- Affordable and workforce housing development
- Land acquisition, development, and redevelopment through public/private partnerships.
- Community policing programs and partnerships
- Commercial façade grants

Each CRA is responsible for developing and implementing its own Community Redevelopment Plan that addresses the unique needs of the targeted area. The plans include specific examples of how the approved community redevelopment plan will benefit and has already benefitted, the purpose for which the special district was created, and the overall goals for the redevelopment area.

The overall goal of each CRA is to reduce and eliminate slum and blight conditions, promote private investment and economic development, and enhance property values within the CRA's area. The perception of "image" is a driving force that impacts the level of investment in a community. The projects within the CRA play a strong role in enhancing the image and build the sales tax business income tax and real estate tax base for Brevard County and the State of Florida.

Redevelopment activities in the Community Redevelopment Plan are funded primarily by tax increment financing (TIF), leveraged with public funds to promote private sector activity in the targeted area. CRA's may also issue debt or revenue bonds to fund projects as well.

Since the City of Cocoa is financially accountable for the activities of the Cocoa CRA and the Diamond Square CRA, we have prepared this report in accordance with F.S. 163.356(3)(C). All financial activities of the CRA's are in accordance with the provisions of the Community Redevelopment Act and governed by the City of Cocoa Financial Operations Manual as well as reported in the City of Cocoa Annual Budget, Audited Statements, and the City of Cocoa Comprehensive Annual Financial Report (CAFR).

Our Fiscal Year is October 1 through September 30 of each year. This report is for the period of October 1, 2023 through September 30, 2024 (Fiscal Year 2024).

COCOA CRA

The Cocoa CRA was established through City of Cocoa Ordinance No. 10-81 and is governed by a seven-member board. This CRA redevelopment area includes the waterfront located along the Indian River Lagoon with vibrant Historic Cocoa Village, the Heart of Cocoa, S.R. 50, the Southern portion of the U.S. 1 Corridor and an uptown area north of the Cocoa Village and S.R. 520.

The Cocoa CRA is generally bounded on the northern boundary by Mitchell Street, with the western boundary at the Florida East Coast Railroad, eastern boundary along the western shoreline of the Indian River Lagoon and the southern boundary at Rosa L. Jones Drive.

In 2008, the Cocoa CRA approved the Cocoa Waterfront Master Plan and implementation strategy for the Cocoa CRA with particular focus on improving the activity and connectivity of the waterfront. With the devastation to the Cocoa Waterfront brought on by Hurricane Irma, the Cocoa CRA Board felt compelled to cast a new vision for the waterfront. The result was a 2018 Waterfront Master Plan Update and Cocoa CRA Update which will guide the CRA and the City of Cocoa in the rebuilding of existing waterfront infrastructure, the development of new amenities and addressing waterfront resiliency and sustainability. The implemented plans will result in an important social and economic center and serve as a catalyst for redevelopment activity and business growth.

Meetings take place on the first Monday of each Month at 6:00 pm in City Council Chambers.

Cocoa CRA Board

- Five members of City Council and two members appointed by the City Council
- Two members appointed for 4-year terms and Council members change due to election.

Cocoa CRA Board Members

- Chairperson Michael C. Blake - Mayor
- Vice Chairperson Lavander Hearn - Deputy Mayor
- Agency Member Alex Goins - Councilman
- Agency Member Lorraine Koss – Councilwoman
- Agency Member Patricia Weeks - Councilwoman
- Agency Member Janne Etz
- Agency Member Candace Rogers

COCOA CRA HIGHLIGHTS

During FY24,
Cocoa CRA
accomplished:

The Waterfront Engineering Design and Permitting FIND Grant (Phase I) was begun to determine the best rebuilding process after two hurricanes destroyed the brand-new day slips.

Anticipate completion of Phase I at end of FY25. Then begin Phase II – Building Barrier System



COCOA CRA

PROJECTS



LEE WENNER PARK NEW DOCKING SYSTEM AND BREAKWATER

In March 2023, the Cocoa CRA applied to continue their work on the restoration of the waterfront that was devastated by two back-to-back hurricanes, Ian and Nicole. The Florida Inland Navigation District (FIND) Grant of \$84,000, which along with a 50% match from the CRA of \$84,000, will provide a total of \$168,000 in funding to complete Phase I: Engineering Design and Permitting. This phase should be completed by September 2025.

The Strategic Plan identified for this purpose is Infrastructure and Redevelopment. By improving the waterfront infrastructure, the Cocoa Waterfront will see increased development, thus improving our economic base for the City.

LEE WENNER PARK PARKING LOT RECONSTRUCTION PROJECT

In April 2024, The CRA approved \$1.2 million for the reconstruction of the Lee Wenner Park Parking Lot. This reconfiguration will improve flow and add 74 additional parking spaces to the Park. The project anticipates closure for one year, from Labor Day 2024 – Labor Day 2025. Easements for Florida Power & Light (FPL) and Florida City Gas (FCG) must be completed before the construction portion of the project can begin. The contractor selected was Doug Wilson.

WORKFORCE HOUSING AND MIXED-USE DEVELOPMENT

In October 2023, the Cocoa CRA approved the purchase of 203 Orange Street, for use as future Workforce Housing. In May 2024, Cocoa CRA approved the selection of 360 Hospitality Group, LLC to develop the site at 603 Brevard Avenue, the site of the old City Hall, to become the newest attraction – a Mixed-Use Hotel Project! Negotiations will begin shortly to detail the plans for the site.



COCOA CRA- Plan Amendment

In Late 2022, The Cocoa CRA approved the 2022 Cocoa CRA Redevelopment Plan Update that is related only to incorporating a community policing program. Generally, the Update includes the following language related to Community Policing Initiatives:

The intent and purpose of this Program is to proactively enhance the current level of police patrol and provide a more personal level of service through a direct liaison between the Agency Board/Downtown community and the Cocoa Police Department.

In FY 24, police officers continued in their assignments to a special shift detail to maximize the effectiveness of the Program. Police officers proactively form partnerships with residents and businesses to promote crime prevention, prevent disorder and improve public safety by addressing specific issues indigenous to the Downtown Area.

YEARLY HIGHLIGHTS

	The Cocoa CRA welcomed 19 new businesses to the area, creating a total of 41 full-time jobs and 22 part-time jobs.
	The Commercial Façade Improvement Program (CFIP) was improved from a Grant maximum award of \$10,000 to a maximum of \$20,000. This should attract new applicants, leveraging private sector capital investment. A ROI for every \$1 of TIF invested is usually 2:1; in other words, for every \$1 invested, the usual return is \$2. Thus, doubling the reach of the investment.

YEARLYEVENTS

Cocoa Village hosts many special events, some recurring favorites, and other new and exciting programs.

In FY 2024, 75 events were held.

Visitors from all over attend these events and while the Pandemic's effects still reverberate throughout the world, Cocoa Village has been able to resume many outdoor activities, including:

Leisure Services Special Event List		
Month/Year		Event
10/23	1	Brevard County Dog Training Club Lure Course
	2	HCVMS Fall Art and Craft
	3	St. Mark's Episcopal Academy Fall Festival
	4	Greater St. Paul Breast Cancer Awareness Car Show
	5	City of Cocoa Fall Festival
	6	HCVMS Fall Golf Cart Parade
	7	Space Coast Free Wheelers Century Ride
	8	Soccer Shots Childrens Soccer Club
	9	Game On Riverfront Triathlon
11/23	10	Space Coast Marathon
	11	Seminary Covenant Praise Fest
	12	Brevard County Dog Training Club Lure Course
	13	HCVMS Sip and Stroll
12/23	14	HCVMS Holiday Art and Craft
	15	HCVMS Moonlight and Music on the Promenade
	16	HCVMS Holiday Boat Parade
	17	HCVMS Holiday Bike Parade
	18	HCVMS Moonlight and Music on the Promenade
	19	City of Cocoa Holiday Tree Lighting
	20	Family Promise Big Brunch
1/24	21	Survive First 5K
	22	Brevard County Dog Training Club Lure Course
	23	Soccer Shots Childrens Soccer Club
	24	Yoga in the Park
	25	Rockledge Youth Football and Cheerleading League
	26	MLK Peace March and Service
	27	BCFF Chili Cook Off
	28	Environmental Education Awareness Research
	29	Village Idiot Idiolympics
	30	Deuterman Productions Outdoor Concert
2/24	31	Deuterman Productions Outdoor Concert
	32	Brevard County Dog Training Club Lure Course
	33	Survive First Brewers Bash
	34	Soccer Shots childrens Soccer Club
	35	Cocoa Rotary Party in the Park
	36	HCVMS Sip and Stroll
	37	AEG Southeast Presents Willie Nelson Concert
	38	Deuterman Productions Mardi Gras
	39	Central Brevard Humane Society Mardi Gras Paws
3/24	40	HCVMS Spring Art and Craft Fair
	41	Hope Community Fellowship Praise and Worship
	42	Soccer Shots Childrens Soccer Club
	43	Reggae and Rum Festival

Leisure Services Special Event List

	44	Brevard County Dog Training Club Lure Course
	45	Space Coast Triathlon
	46	Assembly of God Praise Fest
	47	Easter in the Park
4/24	48	City of Cocoa Trash Bash/Arbor Day Celebration
	49	Space Coast Runners Space Coast Classic Run
	50	Cocoa Police Department Tour de Force
	51	HCVMS Book Fair
	52	Soccer Shots Childrens Soccer Club
	53	Brevard County Dog Training Club RDO
	54	American Cancer Society Relay for Life
5/24	55	VIP Street Party
	56	Soccer Shots Childrens Soccer Club
	57	HCVMS Summer Art and Craft Fair
	58	Preclamsia Foundation Promise Walk
	59	City of Cocoa Memorial Day Remembrance
	60	City Ballet Expo
6/24	61	Deuterman Productions Outdoor Concert
	62	Dirty Oar Running Zone Summer Brewery Series
	63	City of Cocoa Juneteenth Celebration
	64	River Road Coffee Anniversary Party
	65	AEG Southeast Presents Outdoor Concert Brett Young
7/24	66	City of Cocoa Independence Day Celebration
	67	Deuterman Productions Outdoor Concert
	68	HCVMS Sip and Stroll
	69	Deuterman Productions Outdoor Concert
8/24	70	City of Cocoa and HCVMS Business Summit
9/24	71	Dirty Oar Anniversary Party
	72	Deuterman Productions and Long Doggers Employee
	73	HCVMS Concours Car Show
	74	Alzheimer's Memory Walk
	75	HCVMS Sip and Stroll

COCOA CRA

COMMUNITY REDEVELOPMENT GOALS

The Cocoa CRA focused on many of its goals as set forth in the 2018 Cocoa CRA Redevelopment Plan Update.

- Economic Development – Goal V (Page 72): Maintain the unique and positive character of the sub-districts while promoting economic vitality of each. In progress
- Economic Development – Goal VI (Page 73): Market the CRA as a major destination point in the Central Florida Region. In progress
- Future Land Use – Goal IX (Page 74): Provide aesthetic improvements and way-finding measures to increase the sense of community identity. In progress
- Transportation – Goal XI (Page 75): Create a safe efficient traffic circulation system which provides sufficient access by all modes of transportation between activity centers within the CRA and the balance of the community. In progress
- Transportation – Goal XII (Page 76): The CRA shall support the development of parking strategies to support the transportation goals. In progress
Public Facilities and Services – Goal XIV (Page 76): Provide necessary public facilities with acceptable levels of service to accommodate existing needs.
as well as new demands as, proposed development occurs with the CRA. In progress
- Coastal – Goal XV (Page 77): The natural resources of the City's CRA coastal planning area shall be preserved, protected, or enhanced to provide the highest possible water quality, habitat for fish and wildlife and use for public recreation. In progress
- Recreation and Open Space – Goal XVI (Page 78): Establish parks, recreation, open space, and beautification efforts to create an identifiable character for the redevelopment area which will reflect a pleasant appealing atmosphere for working, shopping, touring, and residing in the district. In progress

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PROGRAM GM263L
CITY OF COCOA, FLORIDA

2024 BALANCE SHEET

PAGE 1
ACCOUNTING PERIOD 13/2024
Suppression = Y

110 CRA COCOA RDA

DEBITS

CREDITS

ASSETS

101.00-00	ASSETS & OTHER DEBITS / CASH	35,112.18
115.15-08	LEASES RECEIVABLE / POST OFFICE	46,027.71
115.98-08	INTEREST RECEIVABLE / LSD ASSET-POST OFFICE	8.18
128.90-01	NOTE RECEIVABLE LONG TERM / WHITLEY MARINA SETTLEME	271,891.34
151.20-09	SHORT TERM INVESTMENTS / FLCLASS - CRA 94-0009	2,222,405.39
155.00-00	INVESTMENTS / PREPAID ITEMS	18,240.14
156.90-01	ASSETS NON CURRENT / SECURITY DEPOSITS	4,350.00

TOTAL ASSETS

2,598,034.94

LIABILITIES

202.00-00	LIABILITIES / ACCOUNTS PAYABLE	37,947.52
202.20-00	ACCOUNTS PAYABLE / PURCHASING CARDS	651.33
216.00-00	ACCRUED PAYABLES / ACCRUED WAGES PAYABLE	3,314.18
223.10-00	UNAVAILABLE REVENUE / WHITLEY UNAVAIL SETTLMNT	271,891.34

TOTAL LIABILITIES

=====
313,804.37

FUND EQUITY

290.91-08	DEFERRED INFLOW-LEASE / POST OFFICE	45,888.95
FUND BALANCE		2,238,341.62

TOTAL FUND EQUITY

=====
2,284,230.57

TOTAL LIABILITIES AND FUND EQUITY

2,598,034.94

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

	September 30, 2024		
	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and Cash Equivalents	\$ 2,257,517	\$ -	\$ 2,257,517
Prepaid items	18,240	-	18,240
Deposits	4,350	-	4,350
Lease Receivable	46,028	-	46,028
Other Receivables	271,899	-	271,899
Capital Assets			
Nondepreciable	-	122,347	122,347
Depreciable, net	-	3,661,223	3,661,223
TOTAL ASSETS	<u>\$2,598,034</u>	<u>\$3,783,570</u>	<u>\$ 6,381,604</u>
LIABILITIES			
Accounts payable	\$ 38,600	-	\$ 38,600
Accrued payroll and related liabilities	3,314	-	3,314
Lease Liability	-	414,185	414,185
TOTAL LIABILITIES	<u>41,914</u>	<u>414,185</u>	<u>456,099</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - Whitley Bay			
Settlement	271,891	(271,891)	-
Lease Receivable	45,889	-	45,889
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>317,780</u>	<u>(271,891)</u>	<u>45,889</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	64,268	(64,268)	-
Restricted	2,174,072	(2,174,072)	-
TOTAL FUND BALANCES	<u>2,238,340</u>	<u>(2,238,340)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$2,598,034</u></u>		
Net position:			
Net investment in capital assets		3,369,385	3,369,385
Unrestricted		2,510,232	2,510,232
TOTAL NET POSITION		<u><u>\$ 5,879,617</u></u>	<u><u>\$ 5,879,617</u></u>

The accompanying notes are an integral part of the financial statements.

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Intergovernmental	\$ 1,838,114	\$ -	1,838,114
Investment Income	145,071	-	145,071
Miscellaneous Revenues	78,219	-	78,219
TOTAL REVENUES	<u>2,061,404</u>	<u>-</u>	<u>2,061,404</u>
EXPENDITURES/EXPENSES			
Economic Environment	2,661,857	-	2,661,857
Capital Outlay	40,200	(40,200)	-
Depreciation	-	260,700	260,700
Debt Service:			
Principal	60,055	(60,055)	-
Interest	2,124	-	2,124
TOTAL EXPENDITURES/EXPENSES	<u>2,764,236</u>	<u>160,445</u>	<u>2,924,681</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES/EXPENSES	<u>(702,832)</u>	<u>(160,445)</u>	<u>(863,277)</u>
OTHER FINANCING SOURCES (USES)			
Lease Proceeds	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE/NET POSITION	(702,832)	(160,445)	(863,277)
FUND BALANCES/NET POSITION			
Beginning of the year	<u>2,941,172</u>	<u>3,801,722</u>	<u>6,742,894</u>
End of the year	<u>\$ 2,238,340</u>	<u>\$ 3,641,277</u>	<u>\$ 5,879,617</u>

The accompanying notes are an integral part of the financial statements.

DIAMOND SQUARE CRA

The Diamond Square CRA was established in April 1998 through a Resolution by the City of Cocoa and Brevard County and a City of Cocoa Ordinance No. 13-98 and is governed by a seven-member board. A Redevelopment Plan was updated and approved in 2014. The Redevelopment Plan is based on Five Strategic Frameworks for Change: Community Living; Community Places; Community Connections; Community Identity; and Community Opportunity.

The Diamond Square CRA is generally bounded by the southern border of the City and encompasses the area bounded by Pineda Street on the west, School Street on the north, the Florida East Coast Railroad on the east, and Rosa L. Jones Drive on the south.

Currently, the Diamond Square Community Redevelopment Agency is scheduled to sunset in 2032. Meetings take place on the third Monday of each month at 6:00 pm in City Council Chambers.

The Diamond Square CRA currently has no outstanding indebtedness.



Diamond Square CRA Board

The terms of the office of each Agency member will be for four years, except that three of the City appointed members shall be designated to serve terms of 1, 2, and 3 years from their date of appointment. No Agency member may serve more than two consecutive terms.

Diamond Square CRA Board Members

- Tracy Moore – Chairperson
- Crystal McQueen - Vice Chairperson
- Larry Brown – Agency Member
 - Appointed by Brevard County
- Amy Robinson (pictured) – Agency Member;
 - Brenda Fox replaced her
 - Appointed May 2024
- Ed Jones (pictured) – Agency Member;
 - Angelia Smith replaced him
 - Appointed May 2024
- Jackie Isom - Agency Member
 - Marilyn Smith - Agency Member



(L-R: Agency Attorney Colombo, Agency Member Jones, Chairperson Moore, Agency Members Smith, Robinson, Isom, and Brown.

Not pictured Vice Chairperson McQueen)

DIAMOND SQUARE CRA HIGHLIGHTS

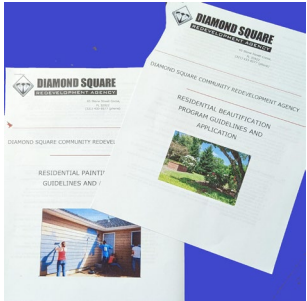
In FY24,
Continuation of
the Diamond
Square CRA Paint
Grant Program and
Beautification
Grant Program



Signs are placed in grantees yard after completion

DIAMOND SQUARE CRA

DIAMOND SQUARE CRA PAINT AND BEAUTIFICATION GRANT PROGRAMS



Two programs that began in June of 2021; the Diamond Square CRA Paint Grant Program and the Beautification Grant Program continued in 2024. Due to the community's interest and program success, the budget for each was increased. These are designed to improve the exterior of the residence and improve aesthetics of the community. Approved applications for the Paint program will have their home pressure washed, receive paint and painting supplies up to the amount of \$1,000 for the exterior of their home and the Beautification Grant Program will provide Florida-friendly landscaping up to the amount of \$500 for the front of their home. In both cases, grant recipients provide their own labor.

These programs have benefited the community by improving the looks of the homes, created a renewed sense of homeowner pride and has a domino effect as more and more applications are submitted. During FY 2024, the CRA approved two Beautification grants totaling \$1,000 and two Paint Grants totaling \$2,000, for a total impact of \$3,000.

COMMERCIAL FACADE GRANT

The Diamond Square CRA sponsors a Commercial Facade Improvement Program to benefit property owners in the redevelopment area. Matching grants of up to \$10,000 are available to qualified business owners to fund exterior improvements such as awnings, landscaping, exterior lighting, fencing, and signage. A proposal in the Cocoa CRA to increase the maximum award to \$20,000 will be considered in the Diamond Square CRA as well, in order to promote an increase in use of the program.

DIAMOND SQUARE CRA

SUMMER CAMP SCHOLARSHIPS

The Diamond Square CRA approved \$6,000 in scholarship funds for a dozen youth to attend the 2024 summer camp provided by Brevard County Parks and Recreation and held at the Dr. Joe Lee Smith Center in Diamond Square.



DIAMOND SQUARE CRA UPSTART SMALL BUSINESS PROGRAM

At the February 8, 2021, Agency Members approved the formulation of Upstart Diamond Square. This program was created as an incentive to promote the growth of minority-owned businesses throughout the Diamond Square Community.

The program and forgivable loans are available to minority and/or women owned small businesses with the goal to empower entrepreneurs to succeed in the Diamond Square community, attract small minority businesses to the area, contribute to the economic vitality by promoting small business, and to cultivate a vibrant neighborhood through the encouragement of diverse businesses.

Awards made to businesses encourage a business to locate or relocate in Diamond Square and support minority entrepreneurs with business skill sets and start-up and marketing expenses. The DS Upstart Cocoa Loan program is designed as a three-year forgivable loan program with a community enrichment component to “pay back” 25% of the grant to the community within three years. After three years of maintaining the business in Diamond Square and successful completion of the “pay back” the loan will be forgiven at 100%.

DIAMOND SQUARE CRA

PROJECTS & FUNDING INITIATIVES

COPS & KIDS



Summer began with 20 youth and a partnership between LLC (Lifetime Counseling Centers) and Cocoa Police Department opportunities were provided for the children to take swimming and water safety lessons. Field trips included Orlando Science Center, Fishing at Sebastian Inlet, Wekiva Springs and a tour of the Cocoa Police Department. Children participate in a variety of activities to include team building, arts and more. With an emphasis on Mental Health, LCC provided counselors for the 4-week camp and Second Harvest Food Bank provided breakfast each day.

DIAMOND SQUARE PARTNERSHIP WITH ALLIANCE FOR NEIGHBORHOOD RESTORATION

The Diamond Square CRA continued its partnership with the Alliance for Neighborhood Restoration (ANR), currently in its 11th year of youth programs at the Harry T. Moore Center primarily serving about 80% of Cocoa youth and the Diamond Square Community. With over 20% of children in Cocoa living below poverty level, the programs provided have become vital to the community it serves.

Additionally, the Diamond Square CRA sponsored the community policing initiative, the Cocoa Police Athletic League (Cocoa PAL), for \$4,500. ANR and Cocoa PAL quickly decided that service to society, specifically the Diamond Square Community, could be provided in different forms.

COCOA POLICE ATHLETIC LEAGUE (PAL)

The Police Athletic League is the oldest and largest law enforcement-based youth crime prevention program in the United States. The program is designed to equip each youth with the skills needed to become future leaders of PAL and the country. Character building, dedicated, honest hard work are the building blocks of PAL. At the core program for delivering youth the Cocoa PAL is a juvenile delinquency prevention program that provides athletic and academic activities to youth through the community.

The Youth Leadership Council is designed to equip each youth with the skills needed to become future leaders of PAL and the country. Character building, dedication, and honest hard work are the building blocks of PAL. Participants held regular meetings to discuss and plan activities, attend local and regional training and volunteers with various agencies.

12 members were selected to attend a two-day State Leadership Training at Disney's Fort Wilderness. Cocoa PAL sponsored 7 Diamond Square youth to attend the State of Florida PAL Leadership Conference at Disney Coronado Springs Resort.



DIAMOND SQUARE CRA



Police Athletic League After School Program

The 2023-24 school year began with 13 youth registered for After-School, focusing on Career Readiness and Character Education. An average of 13 children received daily homework assistance, career readiness, leadership development, social-emotional development, arts and crafts, physical fitness, and nutrition. More than 70% of participants were DS Residents. Second Harvest Food Bank continued to support After-School and Summer Programs with fresh, prepared meals.

State of Florida PAL Regional Training

Cocoa PAL hosted the State of Florida PAL Regional Training at the Joe Lee Smith Center with about 100 youth from around the State of Florida.

PAL Leadership Training

The curriculum includes leader's traits and skills, team building, planning, and executing community projects, community needs assessments and civic responsibility.

Training also included team building exercises and discussions about Social Justice.

Tours and engagement included the Fire Department, Police Department and City Hall. The Youth planned and hosted a Political Forum for the City of Cocoa Candidates, Districts 1 and 2 and the Brevard County Commission, District 2 and was held at the Moore Justice Center.

Cocoa PAL Basketball

Cocoa PAL Basketball Season 23-24 held practices two days per week at the Joe Lee Smith Community Center. Games were scheduled for Saturdays during League competitions with Brevard County Parks and Recreation. Cocoa PAL charged a modest fee of \$25 and registered more than 24 youth throughout the year. However, a 25% drop in participation occurred versus when the fee was waived during the Pandemic.

Youth Employment Training/Phase 1 and Phase 3

12 youth registered for the Youth Employment Training program, of which all 12 completed the four-week course.

Speakers from various occupations shared information about their careers, including Judge Samuel Bookhardt and Sgt Marlon Buggs during a special tour of the Moore Justice Center.

Course instruction included applications for employment, resumes, interviewing skills, dressing for success, financial literacy, and customer Service.

Two Phase 3 Youth Employment Trainees completed job assignments with the City of Cocoa Leisure Services and Brevard County Parks and Recreation.

DIAMOND SQUARE CRA

Alliance for Neighborhood Restoration/Cocoa PAL

2023-2024

Services to Diamond Square Residents

Direct Program Costs paid for or to Diamond Square Residents

Youth Leadership Conference	7 DS youth	809.00 each	5,663.00
Youth Employment Trainee Stipends	12 DS youth	400.00 each	4,800.00
Total payments			10,463.00

*Value of Free Program services to registered Diamond Square participants**

Program	Program Costs	DS Participants	Value
After-School, 180 days x 20.00	3,600 annually	13	46,800
Cops and Kids, 4 weeks x 125.00	500.00	20	10,000
Basketball annual fees	130.00	24	3,120
Youth Employment Training	975.00	12	11,700
Youth Directors Council	*	7	*
Total		76	71,620

23-24 Total Cocoa PAL Registered Youth by Program

After School	26
Cops and Kids	30
Basketball	64
Youth Employment	22
Youth Leadership (YDC)	16
Total	158

DIAMOND SQUARE CRA

YEARLY HIGHLIGHTS



The Diamond Square CRA welcomed 15 new businesses to the area, creating a total of 67 full-time jobs and 10 part-time jobs.

YEARLY EVENTS

2024 Program Highlights

- Annual Winter Festival in Diamond Square
- Annual Fall Festival with the City of Cocoa
- Community Cleanup Project for After-School in Diamond Square
- Keep Brevard Beautiful Trash Bash with the City of Cocoa

COMMUNITY REDEVELOPMENT GOALS

The Diamond Square CRA achieved many of its goals as set forth in the 2014 Diamond Square CRA Redevelopment Plan Update.

Goal 1 – Enhance streetscapes and pedestrian connectivity (Pages 13-15)

- SR520 landscape enhancements - complete
- Peachtree Street Complete Street - complete
- Transportation terminus (SCAT) in DSCRA - complete
- South Fiske Blvd landscaping and mid-block crossing - expect completion 2023

Goal 2 - Increase partnerships with housing developments (Pages 15-17)

- Housing Authority of the City of Cocoa curb appeal - complete
- Finance and home ownership programs - in progress

Goal 3 - Create Neighborhood Gateways (Pages 18-20)

- Neighborhood entry signage and historical/cultural significance - in progress
- Street tree planting - in progress
- Sidewalk system infill and improvements – in progress
- Stormwater and infrastructure – in progress

Goal 4 – Explore the feasibility of creating new community-based centers (Page 21-22)

- Joe Lee Smith Center upgrades and/or reconstruction - complete

Goal 5 – Enhance support for community-based organizations and educational institutions (Pages 23-24)

- Safe routes to school / pedestrian network – in progress
- Role model and mentoring programs – in progress

DIAMOND SQUARE CRA

PREPARED 04/01/2025, 9:18:38		2024 BALANCE SHEET		PAGE 1
PROGRAM GM263L				ACCOUNTING PERIOD 13/2024
CITY OF COCOA, FLORIDA				Suppression = Y

111	CRA DIAMOND SQUARE 626			
		DEBITS	CREDITS	

ASSETS				
101.00-00	ASSETS & OTHER DEBITS / CASH	509,697.91		
115.02-00	ACCOUNTS RECEIVABLE / OTHER	2,500.00		
155.00-00	INVESTMENTS / PREPAID ITEMS	10,189.00		
TOTAL ASSETS				522,386.91
LIABILITIES				
202.00-00	LIABILITIES / ACCOUNTS PAYABLE		17,260.25	
202.20-00	ACCOUNTS PAYABLE / PURCHASING CARDS		214.61	
216.00-00	ACCRUED PAYABLES / ACCRUED WAGES PAYABLE		1,267.77	
TOTAL LIABILITIES			=====	
			18,742.63	
FUND EQUITY				
FUND BALANCE			503,644.28	
TOTAL FUND EQUITY			=====	
			503,644.28	
TOTAL LIABILITIES AND FUND EQUITY				522,386.91

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and cash equivalents	\$ 509,698	\$ -	\$ 509,698
Prepaid items	10,189		10,189
Other receivables	2,500	-	2,500
Capital assets			
Nondepreciable	-	181,192	181,192
Depreciable, net	-	318,576	318,576
TOTAL ASSETS	\$ 522,387	\$ 499,768	\$ 1,022,155
LIABILITIES			
Accounts payable	\$ 17,477	-	\$ 17,477
Accrued payroll and related liabilities	1,268	-	1,268
TOTAL LIABILITIES	18,745	-	18,745
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	10,189	(10,189)	-
Restricted	493,453	(493,453)	-
TOTAL FUND BALANCES	503,642	(503,642)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 522,387		
Net position:			
Net investment in capital assets		499,768	499,768
Unrestricted		503,642	503,642
TOTAL NET POSITION		\$ 1,003,410	\$ 1,003,410

The accompanying notes are an integral part of the financial statements.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Intergovernmental	\$ 497,459	\$ -	\$ 497,459
Investment Income	17,170	-	17,170
Miscellaneous	-	-	-
TOTAL REVENUES	<u>514,629</u>	<u>-</u>	<u>514,629</u>
EXPENDITURES/EXPENSES			
Economic Environment	1,091,109	-	1,091,109
Depreciation	-	15,879	15,879
TOTAL EXPENDITURES/EXPENSES	<u>1,091,109</u>	<u>15,879</u>	<u>1,106,988</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(576,480)</u>	<u>(15,879)</u>	<u>(592,359)</u>
CHANGE IN FUND BALANCE/NET POSITION	<u>(576,480)</u>	<u>(15,879)</u>	<u>(592,359)</u>
FUND BALANCES/NET POSITION			
Beginning of the year	<u>1,086,435</u>	<u>476,934</u>	<u>1,595,769</u>
End of the year	<u>\$ 509,955</u>	<u>\$ 461,055</u>	<u>\$1,003,410</u>

The accompanying notes are an integral part of the financial statements.

KEY CONTACTS



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COCOA COMMUNITY REDEVELOPMENT AGENCY

FINANCIAL STATEMENTS

Year Ended September 30, 2024

Cocoa, FL

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Independent Auditor's Report

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and General Fund of the Cocoa Community Redevelopment Agency (the "CRA"), a component unit of the City of Cocoa, Florida, as of and for the year ended September 30, 2024, 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 respective financial position of the governmental activities and the General Fund of the CRA as of September 30, 2024, and the respective changes in financial position for the year then ended in conformity 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the CRA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 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 that audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule 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 May 2, 2025, 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 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 CRA's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Management's Discussion and Analysis

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

Overview of the Financial Statements

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

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

The statement of activities presents information showing how the government'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. Also, capital assets are capitalized and depreciated on the statement of net position whereas related purchases are expended on government fund financial statements.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Other Information. The CRA adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this 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 CRA, assets exceeded liabilities and deferred inflows by \$5,879,617 at the close of the most recent fiscal year. This compares with \$6,742,904 at the close of the previous fiscal year 2023, a decrease of \$863,287. Cash and investments decreased \$689,414 due to increased CRA activity. Other assets decreased by \$32,902 largely from a reduction in the lease receivable. Capital Assets decreased \$220,500 due to depreciation. Long-term liabilities decreased by \$60,054 due to scheduled debt payments.

	Net Position	
	2024	2023
Current and other assets	\$ 2,598,033	\$ 3,320,350
Capital assets	3,783,571	4,004,070
Total assets	6,381,604	7,324,420
Short-term liabilities outstanding	41,913	19,029
Long-term liabilities	414,185	474,239
Total liabilities	456,098	493,268
Deferred Inflow of Resources	45,889	88,248
Total deferred inflows of resources	45,889	88,248
Net position:		
Net invested in capital assets	3,369,386	3,529,831
Unrestricted	2,510,231	3,213,073
Total net position	\$ 5,879,617	\$ 6,742,904

Governmental Activities. The components of governmental activities net position are as follows: Economic Environment activities decreased the CRA's net position by \$2,329,479 in fiscal year 2024. A 7.0% increase in revenue was caused by increases in the City of Cocoa (the "City") and Brevard County (the "County") contributions to the CRA because of increased property values. The increase in expenses of \$2,774,772 is due to expenditures for the Lee Wenner Park parking improvement capital project in FY 2024.

	Changes in Net Position	
	2024	2023
General revenues:		
Intergovernmental	\$ 1,838,114	\$ 1,594,600
Investment income	145,071	40,646
Miscellaneous revenues	78,219	83,418
Total General Revenues	<u>2,061,404</u>	<u>1,718,664</u>
Expenses:		
Economic Environment	2,661,867	332,378
Depreciation	260,700	314,833
Debt Service:		
Interest	<u>2,124</u>	<u>2,699</u>
Total Expenses	<u>2,924,691</u>	<u>649,910</u>
Change in Net Position	(863,287)	1,068,754
Net position – beginning	<u>6,742,904</u>	<u>5,674,150</u>
Net position – ending	<u>\$ 5,879,617</u>	<u>\$ 6,742,904</u>

Financial Analysis of the General Fund

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

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

The only difference between General Fund operations and governmental activities is the accounting presentation for capital outlay. Capital outlay is accounted for as an expenditure in the General Fund and, to the extent it relates to capital asset additions, is replaced by depreciation expense on the statement of activities.

General Fund Budgetary Highlights

Primary variances between the final budget and actual operating expenditure categories were as follows: Investment revenue was \$145,071 greater than budget due to higher interest rates during the year. Capital Outlay expenses were \$980,448 less than budget due to Cocoa Village Parking (\$750,000) not being started and other capital projects not being started.

Capital Asset Administration

The CRA's capital assets as of September 30, 2024 amount to \$3,783,571, a decrease of \$220,499 due to depreciation and amortization expense. Additional information on the CRA's capital assets can be found in Note 4 *Capital Assets* in the footnote section of this report.

	Capital Assets (net of depreciation and amortization)	
	2024	2023
Land	\$ 4,980	\$ 4,980
CIP	117,368	82,184
Buildings	217,633	234,458
Improvements	2,978,814	3,142,619
Equipment	69,358	79,411
Intangible Leased Assets	395,418	460,018
Total	<u>\$ 3,783,571</u>	<u>\$ 4,004,070</u>

Economic Factors and Conditions

Unemployment in Brevard County was 3.6% at the end of the fiscal year, as compared to 3.3% in the State and 4.1% nationally. The economy performed strongly in FY 2024 and Brevard County experienced significant growth. Actual revenues exceeded expectations due to healthy increases in property values and an increased millage rate. Inflation remained at 3.4% at the end of FY 2024, although operating costs have increased much more than the inflation rate. The Cocoa CRA's proximity to the Kennedy Space Center, Port Canaveral and Orlando make it an ideal place for visiting the Historic Cocoa Village and many cruise passengers visit the Village, enjoying the quaint shops. There are several projects that the Cocoa CRA is working on that will increase the taxable values in the CRA, such as development of the vacant old City Hall site into a hotel/mixed use building and conversion of an old Bank of America building into mixed-use property as well. Many new restaurants and shops opened in the Historic Cocoa Village in FY 2024. In FY 2024, the CRA's millage rate remained the same at 6.9532 mills.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Director, 65 Stone St., Cocoa, FL 32922.

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and Cash Equivalents	\$ 2,257,516	\$ -	\$ 2,257,516
Prepaid items	18,240	-	18,240
Deposits	4,350	-	4,350
Lease Receivable	46,028	-	46,028
Other Receivables	271,899	-	271,899
Capital Assets			
Nondepreciable	-	122,348	122,348
Depreciable, net	-	3,661,223	3,661,223
TOTAL ASSETS	<u>\$2,598,033</u>	<u>\$3,783,571</u>	<u>\$ 6,381,604</u>
LIABILITIES			
Accounts payable	\$ 38,599	-	\$ 38,599
Accrued payroll and related liabilities	3,314	-	3,314
Lease Liability	-	414,185	414,185
TOTAL LIABILITIES	<u>41,913</u>	<u>414,185</u>	<u>456,098</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - Whitley Bay			
Settlement	271,891	(271,891)	-
Lease Receivable	45,889	-	45,889
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>317,780</u>	<u>(271,891)</u>	<u>45,889</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	64,268	(64,268)	-
Restricted	2,174,072	(2,174,072)	-
TOTAL FUND BALANCES	<u>2,238,340</u>	<u>(2,238,340)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$2,598,035</u>		
Net position:			
Net investment in capital assets		3,369,386	3,369,386
Unrestricted		2,510,231	2,510,231
TOTAL NET POSITION		<u>\$ 5,879,617</u>	<u>\$ 5,879,617</u>

The accompanying notes are an integral part of the financial statements.

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Intergovernmental	\$ 1,838,114	\$ -	1,838,114
Investment Income	145,071	-	145,071
Miscellaneous Revenues	78,219	-	78,219
TOTAL REVENUES	<u>2,061,404</u>	<u>-</u>	<u>2,061,404</u>
EXPENDITURES/EXPENSES			
Economic Environment	2,661,867	-	2,661,867
Capital Outlay	40,200	(40,200)	-
Depreciation	-	260,700	260,700
Debt Service:			
Principal	60,055	(60,055)	-
Interest	2,124	-	2,124
TOTAL EXPENDITURES/EXPENSES	<u>2,764,246</u>	<u>160,445</u>	<u>2,924,691</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES/EXPENSES	<u>(702,842)</u>	<u>(160,445)</u>	<u>(863,287)</u>
CHANGE IN FUND BALANCE/NET POSITION	(702,842)	(160,445)	(863,287)
FUND BALANCES/NET POSITION			
Beginning of the year	<u>2,941,182</u>	<u>3,801,722</u>	<u>6,742,904</u>
End of the year	<u>\$ 2,238,340</u>	<u>\$ 3,641,277</u>	<u>\$ 5,879,617</u>

The accompanying notes are an integral part of the financial statements.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Cocoa Community Redevelopment Agency (the "CRA") is a blended component unit of the City of Cocoa, Florida (the "City") comprised of a seven-member governing board of the CRA that consists of five City of Cocoa Council members and two additional members who reside or are engaged in business in the limits of the City.

The CRA was created pursuant to Section 163.356, Florida Statutes, through ordinances passed by the City and the County. It was created by City Resolution 10-81, dated April 14, 1981. Its primary activities include the rehabilitation, conservation, or redevelopment of slum or blighted areas within the City. The City provides accounting and administrative support to the CRA without charge; the CRA does not have personnel or administrative facilities.

Pursuant to Section 163.387, Florida Statutes, the CRA is funded primarily by incremental ad valorem tax revenues levied and remitted in amounts proportionate to property tax values for each participating entity. The CRA is economically dependent on such revenue.

The accounting policies of the CRA conform to accounting principles generally accepted in the United States of America.

These financial statements present the financial position and results of operations controlled by, or dependent upon, the CRA. In evaluating the CRA as a reporting entity, management has addressed all potential component units for which the CRA may or may not be financially accountable and, as such, be includable in the CRA's financial statements. No component units exist which would require inclusion in the CRA's financial statements.

Government-wide and Fund Financial Statements

The CRA has only governmental activities and only one function, and, as such, it is eligible for special-purpose financial statement presentation; accordingly, the government-wide financial statements are presented together with the governmental fund financial statements, described below, with an adjustment column presented to reconcile the two sets of statements.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental Fund Financial Statements - The CRA has one governmental fund type, which is the General Fund. The General Fund is the primary operating fund used to account for all resources and operations. Governmental funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

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 when 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 period. Expenditures generally are recorded when a liability is incurred.

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

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Budgets and the Budgetary Process

The CRA's Board adopts an annual operating budget, which can be amended by the Board throughout the year.

At the fund level, actual expenditures cannot exceed the budgeted amounts; however, with proper approval by the Board, budgetary transfers between line items can be made.

The accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual for the General Fund reflects the original and final budget authorization amounts, which includes all amendments. Appropriations lapse at the close of the fiscal year.

The CRA's management cannot amend or transfer appropriations.

For the year ended September 30, 2024, the CRA's budget was prepared on a modified accrual basis.

Pooled Cash and Equivalents

Cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash and equivalents are stated at fair value.

Capital Assets

Capital Assets purchased in the General Fund are recorded as expenditures at the time of purchase. It is the policy of the CRA to capitalize property and equipment over \$5,000 or more for equipment or an individual cost of \$25,000 or more for buildings, improvements other than buildings, and infrastructure with an estimated useful life in excess of two years. Lesser amounts are expensed. The CRA does not have donated capital assets.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Depreciation has been recorded over the following estimated useful lives using the straight-line method.

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	15 - 75
Equipment	5 - 20
Intangible Asset-Software	3
Intangible Assets-Leases	3 – 30
Intangible-Subscription	3 – 10
Vehicles	5 – 20

The CRA recognizes amortization of intangible software assets over a period of 3 years using the straight-line method. The CRA recognizes amortization for lease intangible assets over the life of the lease. The CRA recognizes amortization for intangible subscription assets over the term of the subscription for the use of software technology.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid, using the consumption method, in both the government-wide and fund financial statements. Expenditures are incurred during the period benefited by the prepayment.

Fund Balance

The CRA has classified governmental fund balances as follows:

- Nonspendable Fund Balance – Amounts that are inherently not spendable because of their form (such as inventory) and/or that cannot be readily convertible to cash (such as prepaid assets or the long-term portion of loans receivable).
- Restricted Fund Balance – Amounts that have externally enforceable limitations on their use. These amounts are constrained to the specific purposes by their providers (such as grantors, bondholders, or higher levels of government pursuant to enabling legislation, e.g., gas tax revenues that must be used for road repairs).

Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Receivables

All accounts receivable are shown net of allowance for uncollectible accounts. On 10/01/2021, the CRA entered into a 49-month lease as Lessor for the use of a USPS Post Office. An initial lease receivable was recorded in the amount of \$172,966. As of 9/30/24, the value of the lease receivable is \$46,028. The lessee is required to make monthly fixed payments of \$3,545. The lease has an interest rate of 0.2133%. The value of the deferred inflow of resources as of September 30, 2024 was \$45,889, and the City recognized lease revenue of \$42,359 during the fiscal year.

Leases

The CRA is a lessee for leases of office space. The CRA recognizes a lease liability and an intangible right-to-use lease asset (lease asset).

At the commencement of a lease, the CRA initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portions of lease payments made. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

Key estimated and judgments related to leases include how the CRA determines 1) the discount rate it uses to discount the expected lease payments to present value, 2) the lease term, and 3) lease payments.

The CRA uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the CRA generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payments and any purchase option price that the CRA is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or to not exercise a

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Leases (*Continued*)

termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The CRA monitors changes in circumstances that would require a re-measurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Leased assets are reported with other capital assets and lease liabilities and are reported with long-term debt on the statement of net position.

Payments due under the lease contracts include fixed payments. The office space lease includes costs for common area maintenance.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments less any lease incentives receivable.
- The exercise of a purchase option, if it is reasonably certain that the option will be executed.
- Payments of penalties for terminating the lease, if the lease term reflects the CRA exercising that option.

Lease payments made under certain extension options are also included in the measurement of the liability. Extension and termination options are included in the lease agreements. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The CRA is a lessor for noncancelable leases of office space. The CRA recognizes a lease receivable and a deferred inflow of resources.

At the commencement of a lease, the CRA initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Leases (*Continued*)

lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the term of the lease.

Key estimates and judgments include how the CRA determines the 1) discount rate it uses to discount the expected lease receipts to present value, 2) lease term, and 3) lease receipts. The CRA uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is comprised of fixed payments from the lessee.

The CRA monitors changes in circumstances that would require a re-measurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

New Accounting Pronouncements

The CRA adopted one new GASB pronouncement in fiscal year 2024 - GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. Implementation of GASB Statement No. 100 has no effect on the CRA's FY 2024 financial statements.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Future Pronouncements

GASB Statement No. 101, *Compensated Absences*:

The requirement of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements for this Statement are effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 102, *Certain Risk Disclosures*:

The new disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*:

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

This Statement also addresses certain application issues. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*:

The new disclosures will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. GASB Statement No. 104 is effective for the CRA's fiscal year beginning October 1, 2025.

The CRA is currently evaluating the effects that these statements will have on its 2025 and 2026 financial statements.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Adjustments were made to include capital assets (net of accumulated depreciation), lease liability, and a deferred inflow related to the Whitley Bay Marina Legal Settlement on the statement of net position. This resulted in a net difference between the ending General Fund balances and the total net position of \$5,879,617.

Total fund balance	\$ 2,238,340
Capital assets, net	3,783,571
Lease liability	(414,185)
Deferred inflow – Whitley Bay Marina	271,891
Total net position	<u>\$ 5,879,617</u>

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS *(Continued)*

Adjustments were made to include depreciation expense and eliminate capital outlay expenditures, recognize unavailable revenue, and expense uncompleted project in CIP, on the statement of activities. This resulted in a net difference between “excess revenues over expenditures” and “change in net position” of (\$863,287).

Excess of revenues over expenditures	\$ (702,842)
Capital outlay	40,200
Less: Principal payments	60,055
Less: Depreciation/amortization expense	<u>(260,700)</u>
Change in net position	<u>\$ (863,287)</u>

NOTE 3 - POOLED CASH AND EQUIVALENTS

The CRA's cash and equivalents account is combined with the pooled cash of the City. The City's cash accounts consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, all of which were entirely covered by federal depository insurance or by a multiple financial institution collateral pool pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the City maintain deposits only in “qualified public depositories.” All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City.

Earnings from the pooled funds are allocated to the CRA based on the CRA's proportionate share of the pool.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in the CRA's capital assets during the fiscal year ended September 30, 2024:

	Balance October 1, 2023	Additions and Transfers	Deletions and Transfers	Balance September 30, 2024
Governmental Activities				
Land	\$ 4,980	\$ -	\$ -	\$ 4,980
CIP	82,184	40,200	(5,016)	117,368
Total capital assets, not being depreciated	87,164	40,200	(5,017)	122,347
Capital assets being depreciated:				
Buildings	521,897	-	-	521,897
Equipment	155,353	5,017	-	160,370
Intangibles Right-to-use				
Leased Building	590,419	-	-	590,419
Infrastructure	4,692,669	-	-	4,692,669
Less: Accumulated depreciation/amortization	(2,043,432)	(260,700)	-	(2,304,132)
Total capital assets being depreciated	3,916,906	(255,683)	-	3,661,223
Total capital assets	<u>\$ 4,004,070</u>	<u>\$ (215,483)</u>	<u>\$ (5,016)</u>	<u>\$ 3,783,571</u>

Depreciation and amortization expense amounted to \$260,700 during fiscal year 2024, which is included on the statement of activities.

NOTE 5 - LONG-TERM LIABILITIES

LEASES

On October 1, 2021, the Cocoa CRA entered into a 109-month lease as Lessee for the use of the Cocoa Village Partners/Cocoa CRA Post office lease. An initial lease liability was recorded in the amount of \$590,419. As of September 30, 2024, the value of the lease liability is \$414,185. The Cocoa CRA is required to make monthly fixed payments of \$5,943. The lease has an interest rate of 0.4753%. The value of the right to use intangible lease liability as of September 30, 2024, of \$590,419 with

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 5 - LONG-TERM LIABILITIES (Continued)

accumulated amortization of \$195,001 is included with Buildings on the Lease Class activities table found below. The Cocoa CRA has one extension option for 60 months.

COCOA CRA ACTIVITIES:

	Balance October 1, 2023	Additions	Reductions	Balance September 30, 2024
Lease Liability				
Buildings				
CVP/CRA Post Office				
Lease	\$ 474,239	\$ -	\$ (60,055)	\$ 414,185
Total Lease Liability	\$ -	\$ -	\$ (60,055)	\$ 414,185

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	62,210	1,834	64,044
2026	64,432	1,533	65,965
2027	66,722	1,222	67,944
2028	69,082	900	69,982
2029 - 2033	151,739	789	152,528
	\$414,185	\$6,278	\$420,463

NOTE 6 - LITIGATION

The City was involved in a lawsuit filed by the Petitioner against the Florida Department of Environmental Protection and the City to obtain a 25-year sovereign submerged land lease related to a boardwalk and promenade constructed jointly by the City and the Petitioner. On November 8, 2005, the parties reached a settlement agreement whereby the Petitioner agreed to reimburse the City for its portion of construction costs in the amount of \$607,837 to be paid in installments through 2009. In accordance with the settlement agreement, the City received \$135,946 and \$200,000 during 2007 and 2006, respectively.

During 2008, the Petitioner suspended payments, as the note payable to the City is subordinate to other debt of the Petitioner. At such time as the priority debt is paid by the Petitioner, they will resume payments to the City. A receivable for the remaining amount due, \$271,891, is recorded as of September 30, 2024 in the CRA fund as a settlement receivable. The related revenue has been deferred in the governmental fund financial statements, as it is not collectible soon enough to pay liabilities of the current period.

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REQUIRED SUPPLEMENTARY INFORMATION

COCOA COMMUNITY REDEVELOPMENT AGENCY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
GENERAL FUND				
Revenues:				
Intergovernmental	\$ 1,944,443	\$ 1,838,114	\$ 1,838,114	\$ -
Investment Income	-	-	145,071	145,071
Miscellaneous Revenues	-	35,859	78,219	42,360
TOTAL REVENUES	<u>1,944,443</u>	<u>1,873,973</u>	<u>2,061,404</u>	<u>187,431</u>
EXPENDITURES				
Current:				
Economic Environment	474,822	2,711,930	2,661,867	50,073
Capital Outlay	1,900,000	1,020,648	40,200	980,448
Debt Service:				
Principal	-	60,055	60,055	-
Interest	-	2,124	2,124	-
TOTAL EXPENDITURES	<u>2,374,822</u>	<u>3,794,757</u>	<u>2,764,235</u>	<u>1,030,522</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(430,379)	(1,920,784)	(702,842)	1,217,942
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(430,379)	(1,920,784)	(702,842)	1,217,942
FUND BALANCE - BEGINNING	<u>2,941,182</u>	<u>2,941,182</u>	<u>2,941,182</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 2,510,803</u>	<u>\$ 1,020,398</u>	<u>\$ 2,238,340</u>	<u>\$ 1,217,942</u>

COMPLIANCE SECTION

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*

Independent Auditor's Report

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, 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 (*Government Auditing Standards*), the financial statements of the governmental activities and General Fund of the Cocoa Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the CRA'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 over financial reporting 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

We noted certain matters that we reported to management of the CRA in a separate letter dated May 2, 2025.

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.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Independent Accountant's Report

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, Florida

We have examined the Cocoa Community Redevelopment Agency's (the "CRA") compliance with the requirements of Sections 163.387(6) and (7) and 218.415, Florida Statutes, during the year ended September 30, 2024. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the CRA's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of 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. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

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

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

Forvis Mazars, LLP

Orlando, Florida
May 2, 2025

Independent Auditor's Management Letter

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Cocoa Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 *U.S. Code of Federal Regulations, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our 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* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 2, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires 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 identification of the specific condition(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*, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the CRA's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided 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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific information of the CRA, a dependent district of the City of Cocoa, Florida, that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, is reported in the City of Cocoa's management letter for the fiscal year ended September 30, 2024.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have 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 Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Orlando, Florida
May 2, 2025

**DIAMOND SQUARE
COMMUNITY REDEVELOPMENT AGENCY**

FINANCIAL STATEMENTS

Year Ended September 30, 2024

Cocoa, Florida



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Independent Auditor's Report

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and General Fund of the Diamond Square Community Redevelopment Agency (the "CRA"), a component unit of the City of Cocoa, Florida, as of and for the year ended September 30, 2024, 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 respective financial position of the governmental activities and the General Fund of the CRA as of September 30, 2024, and the respective changes in financial position for the year then ended in conformity 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the CRA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 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 that audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule 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 May 2, 2025, 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 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 CRA's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Management's Discussion and Analysis

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

Overview of the Financial Statements

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

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

The statement of activities presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Also, capital assets are capitalized and depreciated on the statement of net position, whereas related purchases are expended on government fund financial statements.

General Fund. The General Fund is 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, the General 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 the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the General Fund Balance Sheet and the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between General Fund and governmental activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, current and other assets exceeded liabilities by \$1,003,410 at the close of the most recent fiscal year. This compares with \$1,595,769 at the close of the previous fiscal year, a decrease of \$592,359. Current and other assets decreased \$574,911 due to expenditures. Capital Assets decreased due to depreciation.

	Net Position	
	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 522,387	\$ 1,097,298
Capital assets	499,768	509,334
Total assets	<u>1,022,155</u>	<u>1,606,632</u>
Short-term liabilities outstanding	<u>18,745</u>	<u>10,863</u>
Net position:		
Net investment in capital assets	499,768	509,334
Unrestricted	<u>503,642</u>	<u>1,086,435</u>
Total net position	<u>\$ 1,003,410</u>	<u>\$ 1,595,769</u>

Governmental Activities. The components are as follows: Governmental activities decreased the CRA's net position by \$592,359 in fiscal year 2024. A 26.0% increase in revenue was caused by increases in the City of Cocoa's (the "City") and Brevard County's (the "County") contributions to the Trust Fund due to increased property values. There was also an increase of \$1,712 in investment income due to favorable interest rates. Economic Environment expenses increased \$977,877 due to an increase in contract services for the Alliance for Neighborhood Restoration.

	Changes in Net Position	
	<u>2024</u>	<u>2023</u>
General revenues:		
Intergovernmental	\$ 497,459	\$ 391,157
Investment income	17,170	15,458
Miscellaneous	-	2,500
Total general revenues	<u>514,629</u>	<u>409,115</u>
Expenditures/Expenses:		
Economic Environment	1,091,109	113,232
Depreciation	15,879	15,879
Total expenses	<u>1,106,988</u>	<u>129,111</u>
Change in net position	(592,359)	280,004
Net position – beginning	<u>1,595,769</u>	<u>1,315,765</u>
Net position – ending	<u>\$ 1,003,410</u>	<u>\$ 1,595,769</u>

Financial Analysis of the General Fund

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

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

The only difference between General Fund operations and governmental activities is the accounting presentation for capital outlay. Capital outlay is accounted for as an expenditure in the General Fund and, to the extent it relates to capital asset additions, is replaced by depreciation expense on the statement of activities.

General Fund Budgetary Highlights

The variance between the final budget and actual operating expenditure categories was \$1,206,278. The reasons for this variance were as follows: Grants & Aids variance \$51,185 was due to budget for Upstart Cocoa of \$10,000 was not spent in FY24 and façade grant funding not being spent. Capital outlay was \$191,367 less than budget because a bus stop pad of \$81,000, Provost Park improvements for \$50,000, and stamped pavement of \$50,000 was budgeted and not spent. Other operating costs' variance of \$45,638 was due to \$38,700 downpayment assistance for Michael C. Blake subdivision and other budgetary differences for various reasons of \$30,262.

Capital Asset Administration

The CRA's net investment in capital assets as of September 30, 2024, amounts to \$499,768, a decrease of \$9,566. Additional information on the CRA's capital assets can be found in Note 4 *Capital Assets* in the footnote section of this report.

	Capital Assets (net of depreciation)	
	2024	2023
Land	\$ 181,192	\$ 181,192
Improvements	318,576	328,142
Construction in progress	6,313	-
Total	<u>\$ 499,768</u>	<u>\$ 509,334</u>

Economic Factors and Conditions

The Diamond Square CRA area is characterized by a mix of residential homes, commercial businesses, and light industrial uses. Diamond Square CRA is in the census tract 626 that is approximately 1 square mile with a population of 3,200 and an 80.81% low-moderate income level. Median household income is approximately \$19,103. The median home value is approximately \$264,000, which is 27% lower than the \$362,500 median home value for Brevard County, Florida. The City has spent \$1.6 million in developing vacant property in the heart of the Diamond Square CRA in the Michael C. Blake subdivision to provide affordable housing opportunities and to aid the increase in home property values. To assist in this endeavor the City is looking for contractors to build on available lots. The City of Cocoa is using existing fund balance from the City's general fund to make ball field, lighting and fencing improvements at

Provost Park to stimulate recreational opportunities for the CRA residents. Planned capital improvements in the CRA include drainage improvements, sidewalks, and lighting improvements on the roadways. The City receives funding each year from Community Development Block Grants (CDBG), the State Housing Assistance Program (SHIP) and HOME to assist the census tract 626 residents with housing, public service and community development needs. In addition, to revitalizing residential areas, the City has Upstart Cocoa, a program to aid the creation of new businesses or expansion of existing businesses.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Director, 65 Stone Street, Cocoa, Florida 32922.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

September 30, 2024

	<u>General Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Net Position</u>
ASSETS			
Cash and cash equivalents	\$ 509,698	\$ -	\$ 509,698
Prepaid items	10,189		10,189
Other receivables	2,500	-	2,500
Capital assets			
Nondepreciable	-	187,505	187,505
Depreciable, net	-	312,263	312,263
TOTAL ASSETS	<u>\$ 522,387</u>	<u>\$ 499,768</u>	<u>\$ 1,022,155</u>
LIABILITIES			
Accounts payable	\$ 17,477	-	\$ 17,477
Accrued payroll and related liabilities	1,268	-	1,268
TOTAL LIABILITIES	<u>18,745</u>	<u>-</u>	<u>18,745</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	10,189	(10,189)	-
Restricted	493,453	(493,453)	-
TOTAL FUND BALANCES	<u>503,642</u>	<u>(503,642)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 522,387</u></u>		
Net position:			
Net investment in capital assets		499,768	499,768
Unrestricted		503,642	503,642
TOTAL NET POSITION		<u>\$ 1,003,410</u>	<u>\$ 1,003,410</u>

The accompanying notes are an integral part of the financial statements.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental	\$ 497,459	\$ -	\$ 497,459
Investment Income	17,170	-	17,170
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>514,629</u>	<u>-</u>	<u>514,629</u>
EXPENDITURES/EXPENSES			
Economic Environment	1,073,843	-	1,073,843
Grants and aids	17,266		17,266
Capital Outlay	6,313	(6,313)	-
Depreciation	<u>-</u>	<u>15,879</u>	<u>15,879</u>
TOTAL EXPENDITURES/EXPENSES	<u>1,097,422</u>	<u>9,566</u>	<u>1,106,988</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(582,793)</u>	<u>(9,566)</u>	<u>(592,359)</u>
CHANGE IN FUND BALANCE/NET POSITION	(582,793)	(9,566)	(592,359)
FUND BALANCES/NET POSITION			
Beginning of the year	<u>1,086,435</u>	<u>509,334</u>	<u>1,595,769</u>
End of the year	<u>\$ 503,642</u>	<u>\$ 499,768</u>	<u>\$1,003,410</u>

The accompanying notes are an integral part of the financial statements.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Diamond Square Community Redevelopment Agency (the "CRA") is a discretely presented component unit of the City of Cocoa, Florida (the "City"). The CRA was organized under Section 163 of the Florida Statutes and formally came into existence in 1998. The Board is appointed by the City of Cocoa City Council and is comprised of seven members who reside in, or are engaged in business in, the area of the Diamond Square Redevelopment Agency's operation.

The CRA was created pursuant to Section 163.356, Florida Statutes, through ordinances passed by the City and the County. It was created as the Census Tract 626 Community Redevelopment Agency via City Resolution 98-019 on March 24, 1998 and later changed to the Diamond Square Community Redevelopment Agency via Resolution 05-99 on March 23, 1999. Its primary activities include the rehabilitation, conservation, or redevelopment of slum or blighted area within the City. The City provides accounting and administrative support to the CRA without charge; the CRA does not have any personnel or administrative facilities.

Pursuant to Florida Statute 163.387, the CRA is funded primarily by incremental ad valorem tax revenues levied and remitted in amounts proportionate to property tax values for each participating entity. The CRA is economically dependent on such revenue.

The accounting policies of the CRA conform to accounting principles generally accepted in the United States of America.

These financial statements present the financial position and results of operations controlled by or dependent upon the CRA. In evaluating the CRA as a reporting entity, management has addressed all potential component units for which the CRA may or may not be financially accountable and, as such, be includable in the CRA's financial statements. No component units exist which would require inclusion in the CRA's financial statements.

Government-wide and Fund Financial Statements

The CRA has only governmental activities and only one function, and, as such, it is eligible for special-purpose financial statement presentation; accordingly, the government-wide financial statements are presented together with the governmental fund financial statements, described below, with an adjustment column presented to reconcile the two sets of statements.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental Fund Financial Statements - The CRA has one governmental fund type, which is the General Fund. The General Fund is the primary operating fund used to account for all resources and operations. Governmental funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

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 when they are both measurable and available. Revenues are considered 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 period. Expenditures generally are recorded when a liability is incurred.

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

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Budgets and the Budgetary Process

The CRA's Board adopts an annual operating budget, which can be amended by the Board throughout the year.

At the fund level, actual expenditures cannot exceed the budgeted amounts; however, with proper approval by the Board, budgetary transfers between line items can be made.

The accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual for the General Fund reflects the original and final budget authorization amounts, which includes all amendments. Appropriations lapse at the close of the fiscal year.

The CRA's management cannot amend or transfer appropriations.

For the year ended September 30, 2024, the CRA's budget was prepared on a modified accrual basis.

Cash and Equivalents

Cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash and equivalents are stated at fair value.

Capital Assets

Capital Assets purchased in the General Fund are recorded as expenditures at the time of purchase. It is the policy of the CRA to capitalize property and equipment over \$5,000 or more for equipment or an individual cost of \$25,000 or more for buildings, improvements other than buildings, and infrastructure with an estimated useful life in excess of two years. Lesser amounts are expensed. The CRA does not have donated capital assets.

Depreciation has been recorded over the following estimated useful lives using the straight-line method.

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	15 - 75
Equipment	5 - 20
Vehicles	5 - 20

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

Prepays

Prepays represent payments made to vendors for services that will benefit beyond September 30, 2024. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

Fund Balance

The CRA has classified governmental fund balances as follows:

- Nonspendable Fund Balance – represents fund balance that is (a) not in a spendable form, such as prepaid items and inventory, or (b) legally or contractually required to be maintained intact, such as an endowment.
- Restricted Fund Balance – includes all spendable amounts not contained within the other classification of the General Fund. The unassigned fund balance for governmental funds represents the CRA's resources available for future operations.

Estimates and Assumptions

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements

The CRA adopted one new GASB pronouncement in fiscal year 2024 - GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

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

adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. Implementation of GASB Statement No. 100 has no effect on the CRA's FY 2024 financial statements.

Future Pronouncements

GASB Statement No. 101, *Compensated Absences*:

The requirement of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements for this Statement are effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 102, *Certain Risk Disclosures*:

The new disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*:

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

This Statement also addresses certain application issues. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*:

The new disclosures will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. GASB Statement No. 104 is effective for the CRA's fiscal year beginning October 1, 2025.

The CRA is currently evaluating the effects that these statements will have on its 2025 and 2026 financial statements.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Adjustments were made to include capital assets (net of accumulated depreciation) on the statement of net position. This resulted in a net difference between the ending General Fund balances and the total net position of \$499,768.

Total fund balance	\$ 503,642
Capital assets, net	<u>499,768</u>
Total net position	<u>\$1,003,410</u>

Adjustments were made to include depreciation expense and eliminate capital outlay expenditures, if any, on the statement of activities. This resulted in a net difference between "excess revenues over expenditures" and "change in net position" of (\$15,879).

Excess (Deficiency) of revenues over expenditures	\$ (576,480)
Less: Depreciation expense	<u>(15,879)</u>
Change in net position	<u>\$ (592,359)</u>

NOTE 3 - POOLED CASH AND EQUIVALENTS

The CRA's cash and equivalents account is combined with the pooled cash of the City. The City's cash accounts consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, all of which were entirely covered by federal depository insurance or by a multiple financial institution collateral pool pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the City maintain deposits only in "qualified public depositories." All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City.

Earnings from the pooled funds are allocated to the CRA based on the CRA's proportionate share of the pool.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in the CRA's capital assets during the fiscal year ended September 30, 2024:

	Balance October 1, 2023	Additions and Transfers	Deletions and Transfers	Balance September 30, 2024
Governmental Activities				
Land	\$ 181,192	\$ -	\$ -	\$ 181,192
Construction in progress		6,313		6,313
Total capital assets, not being depreciated	181,192	6,313	-	187,505
Capital assets being depreciated:				
Improvements other than	477,850	-	-	477,850
Less: Accumulated depreciation	(149,708)	(15,879)	-	(165,587)
Total capital assets being depreciated	328,142	(15,879)	-	312,263
Total capital assets	<u>\$509,334</u>	<u>\$ (9,566)</u>	<u>\$ -</u>	<u>\$ 499,768</u>

Depreciation expense amounted to \$15,879 during fiscal year 2024, which is included on the statement of activities.

REQUIRED SUPPLEMENTARY INFORMATION

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
GENERAL FUND				
Revenues:				
Intergovernmental	\$ 526,233	\$ 497,459	\$ 497,459	\$ -
Investment Income	-	-	17,170	(17,170)
TOTAL REVENUES	<u>526,233</u>	<u>497,459</u>	<u>514,629</u>	<u>(17,958)</u>
EXPENDITURES				
Current:				
Economic environment	633,917	1,135,535	1,077,661	57,874
Grants and other aids	201,000	58,320	7,135	51,185
Capital outlay	<u>60,000</u>	<u>197,680</u>	<u>6,313</u>	<u>191,367</u>
TOTAL EXPENDITURES	<u>894,917</u>	<u>1,391,535</u>	<u>1,091,109</u>	<u>300,426</u>
NET CHANGE IN FUND BALANCE	(368,684)	(894,076)	(576,480)	317,596
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>1,086,435</u>	<u>888,682</u>
FUND BALANCE - ENDING	<u>\$ (368,684)</u>	<u>\$ (894,076)</u>	<u>\$ 509,955</u>	<u>\$ 1,206,278</u>

COMPLIANCE SECTION

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*

Independent Auditor's Report

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, 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 (*Government Auditing Standards*), the financial statements of the governmental activities and General Fund of the Diamond Square Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the CRA'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 over financial reporting 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

We noted certain matters that we reported to management of the CRA in a separate letter dated May 2, 2025.

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.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Independent Accountant's Report

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, Florida

We have examined the Diamond Square Community Redevelopment Agency's (the "CRA") compliance with the requirements of Sections 163.387(6) and (7) and 218.415, Florida Statutes, during the year ended September 30, 2024. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the CRA's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of 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. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

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

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Independent Auditor's Management Letter

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Diamond Square Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 *U.S. Code of Federal Regulations, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our 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* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 2, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires 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 identification of the specific condition(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*, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the CRA's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided 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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific information of the CRA, a dependent district of the City of Cocoa, Florida, that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, is reported in the City of Cocoa's management letter for the fiscal year ended September 30, 2024.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have 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 Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Orlando, Florida
May 2, 2025