

**Downtown
Cocoa Beach
Community
Redevelopment
Agency**



2022 Annual Report

Downtown Cocoa Beach Community Redevelopment Agency Board Members



Mike Miller



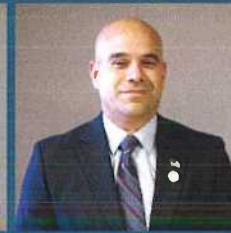
Skip Williams



Ben Malik
CRA Chair



Karalyn Woulas



Ed Martinez



Tim Tumulty
(Aug - Nov 2022)

City of Cocoa Beach:



City Manager:

James McKnight
(2017-2022)



Robin R. Hayes
(2022 - Present)

CRA Administrator Melissa Byron (Retired July 2022), Robin R. Hayes (July 2022 - Present)
Finance Director Patrisha Draycott
Registered Agent and City Clerk Loredana Kalaghchy

CPA's and Advisors Carr, Riggs, and Ingram, LLC



Downtown Cocoa Beach Community Redevelopment Agency (DCBCRA)

Redevelopment Plan Purpose

- Serve to eliminate and reduce blight
- Establish community policing to encourage compliance with established community standards
- Provide and encourage the expansion of stormwater systems and improvements to infrastructure
- Provide and support improvement of the roadway network and promote pedestrian and bicycle safe infrastructure
- Provide and encourage improvements to parking
- Provide and encourage improvements to landscaping and streetscape
- Encourage and provide incentives for appropriate economic development
- Encourage and foster the development of activities which impact our culture and the quality of life
- Any and all additional programs, projects, and activities which may be identified by the DCBCRA that is consistent with this comprehensive community redevelopment plan.

Table of Contents

CRA Board	3
Governing Body of CRA	5
History	6
Agency Overview	7
Assessed Value	8
Geographical Boundary	9
2022 Budget	10
Source of Funds	12
Expense Report	13
Personnel Schedule	14
CRA Activity	15

What is a CRA?

Governing Body of CRA

1. A Community Redevelopment Agency (CRA) is a specific geographic area that has met the physical and/or economical conditions of a blighted area as defined in the Community Redevelopment Act of 1969. (Florida Statutes, Chapter 163, Part III).
2. The area has to be formally designated by the local government as appropriate for redevelopment.
3. It has to be determined that dedicated resources should be used to reduce or eliminate these blighted conditions and to stimulate community and economic revitalization.
4. Once the CRA is established, Tax Increment Financing (TIF) programs may be implemented.
5. TIF programs are generally long-term, 30-year commitments.
6. CRA's have been created in other states throughout the country with Florida having more than 140.
7. The Community Redevelopment Act specifies that the governing body of the CRA jurisdiction is from which the area is located.
8. A five to seven member Board, created by the local government, administers the activities and programs within the CRA. The City Commission can act as the Community Redevelopment Agency board, but must act as a separate and distinct agency.
9. Annual budgets, financial reporting, and activity reports are also required by the Community Redevelopment Act.

History

Redevelopment of the City's historic downtown area has been a focus of the City Commission beginning since the 1990's. Following the enabling of area plans in the City's Comprehensive Plan of 2005, the City began a deliberate planning effort for the City's Historic Downtown area. The result of the planning effort has led to the creation of the Downtown Cocoa Beach Community Redevelopment Agency. (DCBCRA)

Anticipating that 2012 would be the year that property values "bottom out" following the national recession of 2007-2009, the CRA completed the Downtown Cocoa Beach Community Redevelopment Plan with professional help of planning consultant, Lawandales Planning Affiliates. The Plan was developed with extensive and collaborative input from citizens and businesses of Cocoa Beach, and relied upon studies and plans developed by city staff and consulting firms Zyscovich Architects and Miller Legg and Associates.

Agency Overview

In accordance with City of Cocoa Beach Charter Section 6.06, on January 29, 2008, the electorate of the City voted to authorize establishment of a Downtown Cocoa Beach Community Redevelopment Agency (DCBCRA).

On April 2, 2008, the Cocoa Beach City Commission adopted Resolution No. 2008-13 requesting Brevard County to delegate to the City Commission the powers to create a Downtown Cocoa Beach Community Redevelopment Agency.

The Brevard County Board of County Commissioners (BCBofCC) authorized the City to create the DCBCRA, with their adoption of County Resolution 08-125 on May 29, 2008.

With this authority, on August 20, 2009, the City Commission adopted Resolution No. 2009-20, finding the need for a CRA given the City's July 2009 "Finding of Necessity" as required by Florida Statute 163.355, in the possible creation of a CRA. This resolution also identified the Redevelopment Area.

Based on the adopted "Finding of Necessity", the City Commission adopted Resolution No. 2009-28 on November 19, 2009, establishing the DCBCRA.

The City Commission adopted Resolution No. 2012-13 on May 17, 2012. Per Florida Statutes Chapter 163.360 the city was required to adopt a plan. The plan was adopted following a review and recommendation by the City's Planning Board (local planning agency) as to the plan's conformity with the City's comprehensive plan.

In Cocoa Beach, the CRA Board has been determined to be the City Commission. No other governance structure, such as an Advisory Board, has been created.

Brevard County Commission signed an interlocal Agreement with the DCBCRA to continue with the CRA and the building of the Parking Garage.

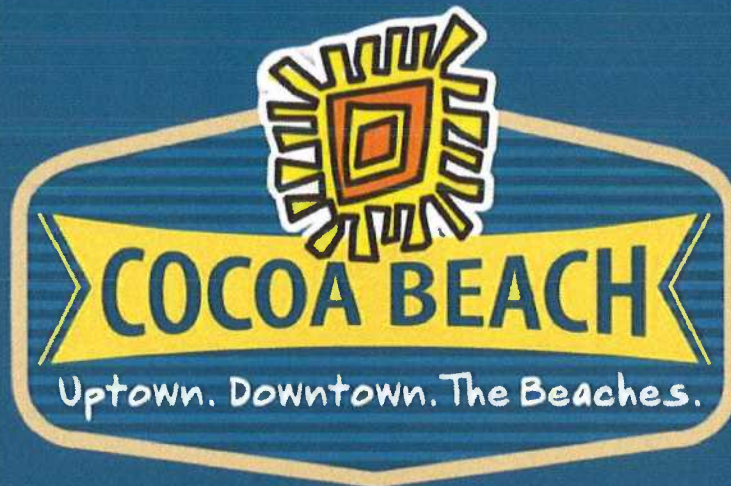
The DCBCRA is the City's only CRA district, and this is the ninth annual report for that agency. The DCBCRA signed an interlocal agreement with the Brevard County Board of Commissioners February 2018. Per the interlocal agreement the CRA shall expire on December 31, 2033.

The Downtown Cocoa Beach Community Redevelopment Agency consists of approximately 234 acres located in the downtown Cocoa Beach. This district is comprised of distinct land uses, physical characteristics and functions. The Land uses of the downtown include, residential, offices/professional, commercial/retail, light industrial, restaurants/bars and mixed use.

Geographical map can be found on page 9.

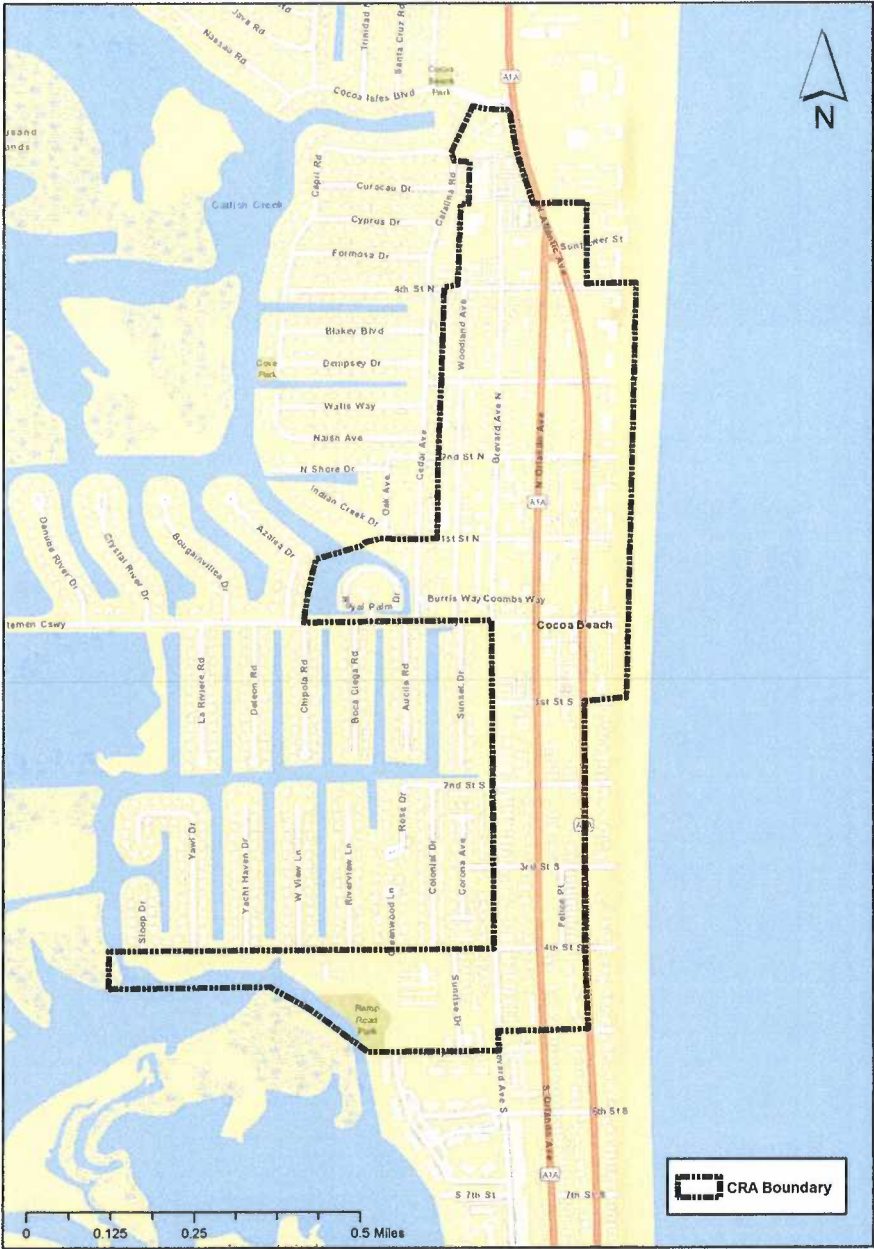
Assessed Values Over Last 10 Years

	Assessed Value
2008 - Base Year	\$118,031,690
2014	130,326,700
2015	144,861,700
2016	161,977,000
2017	176,352,730
2018	189,226,110
2019	197,339,050
2020	212,557,070
2021	228,158,640
2022	259,707,570



DCBCRA Geographical Area

CRA Map



2022 Budget

The Downtown Cocoa Beach Community Redevelopment Agency prepares the annual budget every year and is brought before the board for approval. Once approved, the board will send the final budget to the City Commission to be adopted along with the City's annual budget.

The annual budget has funds for the entire CRA as well as the Parking Garage located in the downtown area.

All funds are from October 2021 through September 2022.

All data can be found on the City website at www.cityofcocoabeach.com.



Fund: Community Redevelopment (CRA)
Account Codes: 125-9310 & 125-9320

	USES OF FUNDS				
	2019	2020	2021	2021	2022
	Actual	Actual	Amended Budget	Estimated	Approved Budget
CRA OPERATING					
559 31-00 Professional Services	5,385	4,821	6,700	6,700	7,900
559 32-10 Auditor	1,656	—	3,000	2,000	5,000
559 45-05 General Liability	5,543	5,553	6,175	6,175	6,550
559 47-00 Printing and Binding	758	188	1,000	1,000	1,000
559 54-10 Publications & memberships	175	420	250	250	250
Subtotal CRA Operating	13,517	10,982	17,125	16,125	20,700
CRA DOWNTOWN GARAGE OPERATING					
559 34-20 Bank Charges	2,703	5,163	7,500	7,500	8,500
559 34-40 Support Services	7,367	26,997	37,132	35,827	100,000
559 45-15 Property Insurance	3,451	9,617	11,364	11,363	12,272
559 43-10 Electric	3,046	8,204	9,200	9,200	9,200
559 43-20 Water & Sewer	1,339	3,587	6,500	6,500	9,700
559 49-15 Other Current Charges	53	1,660	2,000	2,000	2,000
559 52-50 Other Supplies	6,051	822	7,400	5,000	6,000
Subtotal CRA Downtown Garage Operating	24,010	56,050	81,096	77,390	147,672
CAPITAL OUTLAY					
559 63-10 Improvements O/T Buildings - 15 Yrs	4,860,778	—	—	—	—
64-20 Furniture & Equipment	—	—	50,000	—	80,000
Subtotal Capital Outlay	4,860,778	—	50,000	—	80,000
GRANTS/AID					
559 82-00 Aid/Private Organizations	—	—	—	—	—
Subtotal Grants	—	—	—	—	—
TRANSFERS					
559 91-10 Repayment of Advance to General Fund	20,000	80,000	80,000	80,000	—
559 91-40 Repayment to Stormwater (Minutemen Project)	—	20,000	20,000	20,000	40,000
9320- 91-10 General Fund Maintenance					
559 Contrib.	—	7,315	7,315	7,315	1,252
Subtotal Transfers	20,000	107,315	107,315	107,315	41,252
DEBT					
559 71-00 Principal	220,000	230,000	323,316	323,316	335,423
559 72-00 Interest	180,350	176,673	164,018	164,018	149,661
559 73-00 Other Debt Costs	(18,740)	(106)	—	—	—
Subtotal Debt	381,610	406,567	487,334	487,334	485,084
DEBT SERVICE RESERVE					
590.90-10 Reserved Future Appropriations	(55,705)	255,359	598,661	593,199	952,631
TOTAL USES	5,244,210	756,273	1,208,312	1,281,363	1,727,339

Source of Funds

Fund: Community Redevelopment (CRA)

Account Codes: 125-0000

SOURCES OF FUNDS					
	2019	2020	2021	2021	2022
	Actual	Actual	Amended	Estimated	Approved
			Budget		Budget
INTERGOVERNMENTAL					
330 10-00 Intergovernmental - City	329,850	395,632	468,507	468,507	555,429
330 20-00 Intergovernmental - County	227,138	259,230	296,546	296,797	333,011
TOTAL TAXES	556,988	654,862	765,053	765,304	888,440
CHARGES FOR SERVICES					
344. 60-15 Taxable Meter Fees	66,951	131,877	160,000	220,200	210,200
344. 60-20 Parking Citations	6,402	23,020	27,000	40,000	35,000
TOTAL CHARGES FOR SERVICES	73,353	154,897	187,000	260,200	245,200
MISCELLANEOUS REVENUES					
361 20-00 Interest on Investment	3,265	2,219	900	500	500
369 40-00 Misc. Other	90,139	—	—	—	—
TOTAL MISCELLANEOUS REVENUES	93,404	2,219	900	500	500
TOTAL REVENUES	633,606	811,978	952,953	1,026,004	1,134,140
FUNDS FORWARD					
389 99-10 Appropriated Fund Balance	4,610,604	(55,705)	255,359	255,359	593,199
TOTAL SOURCES	5,244,210	756,273	1,208,312	1,281,363	1,727,339

The Interlocal Agreement between the City and the County states that 75% of the TIF received from the County be used to retire the bond that was acquired to build the Parking Garage. All of the monies collected from the County through TIF were applied to the Parking Garage Bond.

Expense Report FY 2022

Account Number	Element Description	Sum of Net Expense
125-9000-519.79-99	Reclassification Account	\$(85,422.97)
125-9310-559.31-00	Structural Assmnt Study	43,245.96
125-9310-559.32-10	ACCOUNTING & AUDITING	2,031.50
125-9310-559.34-40	OTHER CONTRACTUAL SVCS	2,000.00
125-9310-559.45-05	INSURANCE	5,980.00
125-9310-559.47-00	Printing & binding	290.00
125-9310-559.52-50	OPERATING SUPPLIES	32.50
125-9310-559.54-10	BOOKS, PUBLICATN & MEMBER	670.00
125-9310-559.71-00	Principal	335,422.94
125-9310-559.72-00	Interest	149,661.18
125-9310-559.73-00	OTHER DEBT SERVICE COSTS	(1.12)
125-9310-559.91-10	TRANSFERS	1,252.00
125-9310-559.91-40	TRANSFERS	40,000.00
125-9320-559.13-10	OTHER SALARIES & WAGES	10,185.81
125-9320-559.21-00	FICA Taxes	779.22
125-9320-559.24-00	Workers Compensation	556.48
125-9320-559.34-20	OTHER CONTRACTUAL SVCS	13,158.91
125-9320-559.34-40	OTHER CONTRACTUAL SVCS	50,942.12
125-9320-559.43-10	UTILITY SERVICES	9,982.84
125-9320-559.43-20	UTILITY SERVICES	6,593.41
125-9320-559.45-15	INSURANCE	13,337.00
125-9320-559.49-15	Other current charges	2,556.64
125-9320-559.52-50	OPERATING SUPPLIES	7,103.08
Grand Total		\$610,357.50

The Expense Report as of 2/21/2022 is unaudited numbers and are subject to change per the Audit report.

Personnel Schedule

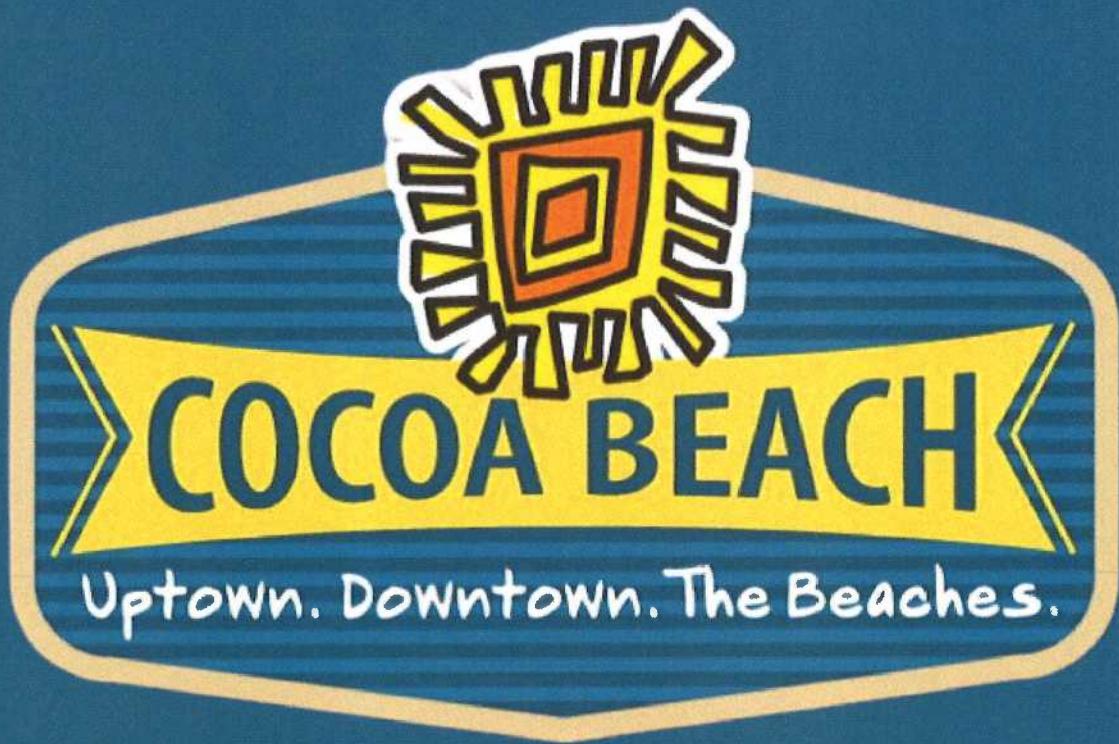
PERSONNEL SCHEDULE			
DEPARTMENT: Community Redevelopment (CRA)			
POSITION TITLE:	NUMBER OF POSITIONS		
	BUDGET 2021	CHANGE	BUDGET 2022
FULL-TIME			
	—	—	—
TOTAL FULL-TIME	—	—	—
Garage Maintenance	—	1	1
PART-TIME			
	—	—	—
TOTAL PART-TIME	—	1	1
TOTAL PERSONAL SERVICES	—	—	—

The DCBCRA has acquired a part-time Garage Maintenance personnel. Daily tasks include the daily maintenance and cleaning of the Parking Garage. Also, make repairs as needed within the facility.

**2022
Downtown
Cocoa
Beach
Community
Redevelopment
Agency
Review**

1. For 2022 the CRA Board continued the focus of making the required bond payments and providing continual maintenance on the Downtown Parking Garage.
2. Redevelopment in the CRA is slowly increasing and allowing for increased taxable values. This includes both residential and commercial properties. Many of the homes within the CRA are being purchased and updated for vacation rentals. Therefore, the demand is high for property within the CRA boundaries and throughout Cocoa Beach.
3. As the economy for the future, the CRA board has committed to focusing on the repayment of the bond and the continual updating and repairs of the parking garage.
4. Property values in the CRA have consistently increased since 2008. This increase has allowed to have funds to be set aside for maintenance of the parking garage. The bond documents do not allow for early repayment for approximately 10 years.
5. To continue on the CRA Redevelopment plan, the city is working on the design of a cultural green space. This space will allow for residents and visitors to have a green space in the downtown location. This will always be a location for events to be held regularly.







CRA Adopted March 2, 2023
City Commission Adopted March 16, 2023

City of Cocoa Beach
1600 Minutemen Cswy
Cocoa Beach, FL 32931



**Downtown Cocoa Beach
Community Redevelopment Agency
FINANCIAL STATEMENTS
Fiscal Year Ended
September 30, 2022**

Downtown Cocoa Beach Community Redevelopment Agency
Table of Contents
Year Ended September 30, 2022



INTRODUCTORY SECTION

Table of Contents..... 1
 Agency Officials..... 3

FINANCIAL SECTION

Independent Auditors’ Report 5
 Management’s Discussion and Analysis 7

Basic Financial Statements:

Government-wide Financial Statements:
 Statement of Net Position..... 15
 Statement of Activities 16

Fund Financial Statements:

Balance Sheet – Governmental Fund..... 17
 Reconciliation of the Balance Sheet of the Governmental Fund to the
 Statement of Net Position..... 18
 Statement of Revenues, Expenditures and Changes in
 Fund Balance – Governmental Fund..... 19
 Reconciliation of the Statement of Revenues, Expenditures and Changes in
 Fund Balance of the Governmental Fund to the Statement of Activities 20
 Notes to Financial Statements 23

Required Supplementary Information:

Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual – Community Redevelopment Agency Fund..... 37
 Budgetary Notes to Required Supplementary Information..... 38

COMPLIANCE SECTION

Independent Auditors’ Report on Internal Control Over Financial Reporting and
 on Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with *Government Auditing Standards* 39
 Independent Auditors’ Management Letter 41
 Independent Accountants’ Report on Compliance with Local Government
 Investment Policies..... 45
 Independent Accountants’ Report on Compliance with Redevelopment Trust Fund..... 47



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**Downtown Cocoa Beach Community Redevelopment Agency
Agency Officials
Year Ended September 30, 2022**

Agency Board Members

Ben Malik, Mayor
Skip Williams, Vice Mayor
Karalyn Woulas, Commissioner
Tim Tumulty, Commissioner
Mike Miller, Commissioner

Administrator

Karin Grooms





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INDEPENDENT AUDITORS' REPORT

The Honorable Chairman and Board Members
Downtown Cocoa Beach Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Downtown Cocoa Beach Community Redevelopment Agency (the Agency), a component unit of the City of Cocoa Beach, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and the major fund of the Agency, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and the budgetary comparison information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we

obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Carr, Rigg & Ingram, L.L.C.

Melbourne, Florida
March 31, 2023

Downtown Cocoa Beach Redevelopment Agency Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) of the Downtown Cocoa Beach Community Redevelopment Agency (the "CRA") is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the CRA's financial activity, (c) identify changes in the CRA's financial position, (d) identify any material deviations from the financial plan, and (e) identify its ability to address the net year's challenges. Lastly, the MD&A will recognize any material deviations from the approved budget.

The Downtown Cocoa Beach Community Redevelopment Agency was established in 2009 by the City of Cocoa Beach Commission under Chapter 163, Part III, Florida Statutes. The CRA is a dependent taxing district and a component unit of the City of Cocoa Beach, Florida (the "City"). The CRA is responsible for promoting economic redevelopment activities that include reducing or eliminating blight, improving the tax base, and encouraging public and private investments in the redevelopment area. In Cocoa Beach, the CRA Board has been determined to be the City Commission. No other governance structure, such as an Advisory Board, has been created.

The CRA has presented its financial statements in accordance with the reporting model required by Governmental Accounting Standards Board Statement No 34, *Basic Financial Statements and Managements' Discussion and Analysis for State and Local Governments*.

FINANCIAL HIGHLIGHTS

- The assets of the CRA's exceeded its liabilities as of September 30, 2022, by \$2,353,555 (net position). Of this amount, \$1,445,911 (net position restricted for community redevelopment) may be used to meet the CRA's ongoing obligations to citizens and creditors.
- The CRA's total net position was increased by \$872,832.
- The CRA's tax increment revenues increased by \$122,772 or approximately 16%. This resulted from increased property values with the CRA district from Fiscal Year 2021 to Fiscal Year 2022.
- Total external debt decreased by \$250,000 (7.03%) in Fiscal Year 2022. The decrease is attributed to the principal payment on debt.

FINANCIAL STATEMENTS

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Cocoa Beach's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. This supplementary information should be considered an integral part of the financial statements.

Government-wide Financial Statements

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

Downtown Cocoa Beach Redevelopment Agency Management's Discussion and Analysis

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. Additionally, capital assets are capitalized and depreciated on the statement of net position whereas related purchases are expended on government fund financial statements.

CRA Special Revenue Fund

The CRA Special Revenue 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

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 CRA Special Revenue Fund. A budgetary comparison statement has been provided for the CRA Special Revenue to demonstrate compliance with this budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial report represents the approach mandated by the Governmental Accounting Standards Board (GASB). GASB sets the uniform standards for presenting government financial reports.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The CRA's net position was \$2,353,555 at the close of the Fiscal Year 2022. This is an \$872,832 increase in net position over the \$1,480,723 reported in the prior fiscal year.

Downtown Cocoa Beach Redevelopment Agency Management's Discussion and Analysis

The increase is attributed generally to revenues exceeding expenditures/expenses. Detailed information can be found in the Notes to the Financial Statements.

The following schedule is a summary of the Fiscal Year 2022 Statement of Net Position with comparative information for Fiscal Year 2021.

	Schedule of Net Position	
	2022	2021
Current and other assets	\$ 1,525,627	\$ 900,903
Capital assets	4,498,864	4,624,355
Total Assets	6,024,491	5,525,258
Long-term liabilities outstanding	3,591,220	3,869,815
Other liabilities	79,716	174,720
Total Liabilities	3,670,936	4,044,535
Net investment in capital assets	907,644	754,516
Restricted	1,445,911	726,207
Total Net Position	\$ 2,353,555	\$ 1,480,723

As stated above, the CRA's net position totaled \$2,353,555 at the end of Fiscal Year 2022. It should be noted that the resources needed to repay the CRA Parking Garage debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The CRA uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The change in net position balance from fiscal year 2022 to fiscal year 2021 is \$872,832 as shown in the Schedule of Changes in Net Position on the next page. This change includes increased tax revenue partially because of an increase in property values located within the CRA. In addition, the City Commission voted to increase the FY2022 millage by .3350 – from 5.8294 to 6.1644. Some revenues and other financing sources had comparatively modest increases over the prior fiscal year, while the expenditures associated with maintenance of the parking garage increased somewhat over the former fiscal period.

The following schedule of Changes in Net Position shows activities for Fiscal Year 2022 with comparative information for Fiscal Year 2021.

**Downtown Cocoa Beach Redevelopment Agency
Management's Discussion and Analysis**

	Changes in Net Position	
	2022	2021
Revenues:		
Taxes	\$ 888,076	\$ 765,304
Charges for Services	432,725	322,042
Investment income	3,035	9,424
Total Revenues	1,323,836	1,096,770
Expenses:		
Economic Environment	169,446	117,270
Depreciation	125,491	125,491
Interest and other	114,815	129,367
Total Expenses	409,752	372,128
Interfund Transfers	(41,252)	(27,315)
Change in Net Position	872,832	697,327
Net Position - Beginning	1,480,723	866,771
Prior period adjustment	-	(83,375)
Net Position - Beginning, as restated	1,480,723	783,396
Net Position - Ending	\$ 2,353,555	\$ 1,480,723

CRA Special Revenue Fund Budgetary Highlights

A budget to actual statement is provided for the CRA Special Revenue Fund. A budget column for both the original budget adopted for Fiscal Year 2022 as well as the final budget is presented. A comparison of the final budget to the actual amounts for current expenditures shows a final difference of \$85,364. This is because operating expenditure actuals were overall below budgeted amounts and transfers for repayments of advances are excluded.

CRA Tax Increment Financing (TIF)

Monies from the incremental increase in property tax revenue (TIF) collected within the designated redevelopment area is recorded in the CRA. Consistent with State law, revenues are utilized and expended in accordance with the Community Redevelopment Plan. The TIF has continued to increase in subsequent years as taxable values have risen. The increase from 2021 to 2022 is \$122,772 or 16%.

**Downtown Cocoa Beach Redevelopment Agency
Management's Discussion and Analysis**

**Community Redevelopment Agency Fund
(CRA)**

Tax Increment Values and Payments

	<u>2022</u>	<u>2021</u>	Increase (Decrease)
Taxable value	\$ 217,276,830	\$ 203,686,580	\$ 13,590,250
Less: Base year value	(119,086,930)	(119,086,930)	-
Net taxable value	<u>\$ 98,189,900</u>	<u>\$ 84,599,650</u>	<u>\$ 13,590,250</u>
County tax rate per \$1,000 of value	3.6900	3.6900	0.0000
City tax rate per \$1,000 of value	6.1644	5.8294	0.3350
Tax increment payments:			
County	\$ 332,647	\$ 296,797	\$ 35,850
City	<u>555,429</u>	<u>468,507</u>	<u>86,922</u>
Total tax increment payments	<u>\$ 888,076</u>	<u>\$ 765,304</u>	<u>\$ 122,771</u>

CAPITAL ASSET ADMINISTRATION

Capital Assets. The CRA's investment in capital assets as of September 30, 2022 is \$4,498,864 (net of accumulated depreciation). This investment in capital assets includes the parking garage facility and improvements to the facility. Governmental activities net investment in capital assets decreased by \$125,491 for depreciation. The schedule of changes in capital assets from the current fiscal year to the prior fiscal year is included in the following:

	<u>Capital Assets (net of depreciation)</u>	
	<u>2022</u>	<u>2021</u>
Buildings	\$ 4,462,874	\$ 4,584,943
Improvements	<u>35,990</u>	<u>39,412</u>
Total	<u>\$ 4,498,864</u>	<u>\$ 4,624,355</u>

DEBT ADMINISTRATION

Long-Term Debt

At the end of the current fiscal year, the CRA had total long-term debt in the amount of \$3,305,000.

In Fiscal Year 2017 debt was issued with Florida Municipal Loan Council (FMLC) Revenue Bond 2017B to fund the design and construction of the new parking garage in the Community Redevelopment Agency (CRA). The first payment on the principal of Revenue Bond 2017B was not made until FY 2019 and the outstanding balance is \$3,505,000. See Note 2 to the financial statements for additional information.

Downtown Cocoa Beach Redevelopment Agency Management's Discussion and Analysis

Schedule of Outstanding Debt:

	Governmental Activities	
	2022	2021
CRA Improvement Revenue Bonds, Series 2017B	3,305,000	3,555,000
Total	\$ 3,305,000	\$ 3,555,000

Total external debt decreased by \$250,000 (7.03%) in Fiscal Year 2022. The decrease is attributed to the principal payment on debt.

ECONOMIC FACTORS AND CHALLENGES

In FY2022, the City began the process of looking at developing the ¾-acre area where the old City Hall building was located. The cultural green space cost is estimated at \$1.6 million, which included the \$300,000 to demolish the aging City Hall building, as well as \$210,000 for a canopy structure, and \$100,000 for an entertainment platform, area for food vendor trucks, and a picnic area. Additional concepts are still under consideration for the final plan.

The City is also looking at developing an “incubator program” and continues to look at providing assistance for façade improvements, in an effort to help develop small businesses in the downtown area.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the CRA’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Patrisha Draycott, CGFO, Chief Financial Officer, 1600 Minutemen Causeway Avenue, Cocoa Beach, Florida, 32931 or pdraycott@cityofcocoa.com. The financial statements are posted on the City’s web site at www.cityofcocoa.com.



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BASIC FINANCIAL STATEMENTS



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Downtown Cocoa Beach Community Redevelopment Agency
Statement of Net Position
September 30, 2022

<i>September 30, 2022</i>	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,102,336
Investments	77,494
Accounts receivable	6,776
Restricted cash	339,021
Capital assets, net of accumulated depreciation	
Buildings	4,462,874
Improvements other than buildings	35,990
Total assets	6,024,491
LIABILITIES	
Accounts and contracts payable	8,591
Accrued interest	71,125
Noncurrent liabilities:	
Due within one year	265,000
Due in more than one year	3,326,220
Total liabilities	3,670,936
NET POSITION	
Net investment in capital assets	907,644
Restricted for community redevelopment	1,445,911
Total net position	\$ 2,353,555

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

**Downtown Cocoa Beach Community Redevelopment Agency
Statement of Activities**

For the year ended September 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Economic environment	\$ 294,937	\$ 432,725	\$ -	\$ -	\$ 137,788
Interest and related costs on long-term debt	114,815	-	-	-	(114,815)
Total governmental activities	\$ 409,752	\$ 432,725	\$ -	\$ -	22,973

General revenues:	
Taxes	888,076
Investment income	35
Miscellaneous revenue	3,000
Transfers to primary government	(41,252)
Total general revenues	849,859
Change in net position	872,832
Net position, beginning of year	1,480,723
Net position, end of year	\$ 2,353,555

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

**Downtown Cocoa Beach Community Redevelopment Agency
Balance Sheet – Governmental Fund**

<i>September 30, 2022</i>	Community Redevelopment Agency
ASSETS	
Cash and cash equivalents	\$ 1,102,336
Restricted cash and cash equivalents	339,021
Investments	77,494
Accounts receivable	6,776
Total assets	\$ 1,525,627
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 7,083
Accrued expenses	1,508
Total liabilities	8,591
Fund balance:	
Restricted for:	
Community redevelopment	1,517,036
Total fund balance	1,517,036
Total liabilities and fund balance	\$ 1,525,627

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

**Downtown Cocoa Beach Community Redevelopment Agency
Reconciliation of the Balance Sheet of the Governmental Fund
to the Statement of Net Position**

As of September 30, 2022

Total fund balance for the governmental fund	\$ 1,517,036
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	4,498,864
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(3,591,220)
Interest on long-term debt is not accrued in governmental funds but rather is recognized as an expenditure when due.	(71,125)
Net position of governmental activities	\$ 2,353,555

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

**Downtown Cocoa Beach Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance
– Governmental Fund**

For the year ended September 30, 2022

	Community Redevelopment Agency
Revenues	
Taxes	\$ 888,076
Charges for services	432,725
Investment and other income	3,035
Total revenues	1,323,836
Expenditures	
Current:	
Economic environment	169,446
Debt service:	
Principal retired	250,000
Interest and other	149,660
Total expenditures	569,106
Excess of revenues under expenditures	754,730
Other financing sources (uses)	
Transfers out	(41,252)
Net other financing sources	(41,252)
Net change in fund balance	713,478
Fund balance, beginning of year	803,558
Fund balance, end of year	\$ 1,517,036

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

**Downtown Cocoa Beach Community Redevelopment Agency
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balance of the Governmental Fund to the Statement of Activities**

For the year ended September 30, 2022

Net change in fund balance - governmental fund	\$	713,478
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>The governmental fund reports capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.</p>		(125,491)
<p>The issuance of long-term debt provides current financial resources to the governmental fund, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental fund. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.</p>		250,000
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds</p> <p style="padding-left: 40px;">Accrued interest and amortization of bond premium</p>		34,845
Change in net position of governmental activities	\$	872,832

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

Cocoa Beach Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Cocoa Beach, Florida Downtown Community Redevelopment Agency (the "CRA" or "Agency") is a blended component unit of the City of Cocoa Beach, Florida (the "City"). It is a public entity established under the guidelines for the Community Redevelopment Act (Chapter 163, Part III, Florida Statutes (F.S.)) to implement community redevelopment activities. The five-member governing board (the "Board") has been determined to be the City Commission. No other governance structure, such as an Advisory Board, has been created.

On January 29, 2008, the electorate of the City voted to authorize establishment of a Downtown Community Redevelopment Agency (CRA). Accordingly, the City Commission adopted Resolution 2008-13 requesting Brevard County to delegate to the City Commission the powers to create a Downtown CRA. In turn, Brevard County adopted Resolution 08-128 authorizing the creation of the City's CRA for a period of 25 years from its creation. The CRA shall expire on December 31, 2033.

To implement the purposes of the CRA, the Board and the City have entered into an interlocal agreement authorizing the use of City staff and City resources for the creation of the required Redevelopment Plan for the downtown area.

Pursuant to F.S. 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.

In 2018, the Brevard County Commission and CRA Board executed an Interlocal Agreement to continue with the Downtown CRA tax increments and the building of a parking garage within the CRA.

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

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

Cocoa Beach Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

Government-Wide Financial Statements

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

Fund Financial Statements

The fund financial statements provide information about the Agency's fund. The emphasis of fund financial statements is on the major governmental fund.

**Cocoa Beach Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The Agency reports the following major governmental fund:

The *Community Redevelopment Agency Fund* is the Agency's operating and general fund. It accounts for all financial resources of the Agency.

Budgetary Information

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, 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.

For the year ended September 30, 2022, the CRA's budget was prepared on a modified accrual basis.

Pooled Cash and Equivalents

Pooled cash and equivalents are stated at fair value.

Assets, Liabilities, and Net Position or Fund Balance

Cash and cash equivalents

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments for the Agency are reported at fair value (generally based on quoted market prices) except for the position in the State Board of Administration Local Government Surplus Trust Fund (Florida PRIME) and the Florida Special Purpose Investment Pool (SPIA). Florida PRIME and SPIA are local government investment pools which meet all of the specified criteria in Section In5: *Investment Pools (External)* of the GASB Codification (GASBC) to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the Agency's position in the pool is equal to the value of the pooled shares.

**Cocoa Beach Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

Receivables and payables

All trade and property tax receivables are considered to be fully collectible.

Capital Assets

Capital assets, which include buildings and improvements are reported in the governmental columns in the government-wide financial statements. Capital assets are defined by the CRA as assets with an initial, individual cost of more than \$1,000 and an estimated useful life exceeding one year. The cost of improvements and replacements, which extend the useful lives of assets or increase their capacity, are capitalized. Repairs and maintenance costs, which do not improve or extend the useful life of the respective assets, are charged to expense.

Property and equipment purchased by the CRA is recorded at cost or, if contributed, acquisition value at the date of donation.

Capital assets use straight-line depreciation over the following estimated service lives:

<u>Classification</u>	<u>Service Life Ranges</u>
Buildings and building improvements	40 years
Improvements other than buildings	10 - 15 years

Interfund Transactions

Interfund transactions (transactions between the Agency and the City) are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs at cost, charged the appropriate benefitting fund, and reduces its related costs as reimbursements. All other interfund transactions are treated as transfers.

Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide financial statements for governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and systematically amortized over the term of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the fiscal year incurred.

Cocoa Beach Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as an “other financing” source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Categories and Classification of Fund Equity

Net position flow assumption – Sometimes the Agency will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions – Sometimes the Agency will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Agency itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

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

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

Cocoa Beach Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

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

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Agency for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for fund balance not meeting criteria to be reported as nonspendable, restricted, committed, or assigned.

Revenues and Expenditures/Expenses

Program revenues – Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes – Property taxes attach as an enforceable lien on real property and are levied as of July 1st. The tax levy is divided into two billings: the first billing (mailed on July 1) is an estimate of the current year’s levy based on the prior year’s taxes; the second billing (mailed on January 1) reflects adjustments to the current year’s actual levy. The billings are considered past due 30 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

Use of Estimates

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

Cocoa Beach Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 31, 2023, and determined there were no events that occurred that required disclosure.

Recently Issued and Implemented Accounting Pronouncements

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

GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Cocoa Beach Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

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

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

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The Agency pools its deposits with the City. As of September 30, 2022, \$500,000 of the City's bank balances are covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Agency pursuant to Section 280.08, Florida Statutes. At September 30, 2022, the City did not hold funds in excess of FDIC insurance limits in a financial institution that is not a qualified public depository.

The City has not adopted an investment policy and the City's investment policies are governed by state statutes. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant funds' investment to the total pooled investment.

The City participates in Florida Public Assets for Liquidity Management, (Florida PALM), external investment pool. The Florida PALM is a common law trust established under the laws of the State of Florida and is designed to meet the cash management and short term needs of its participants. The Fund is sponsored by the Florida School Boards Association and the Florida Association of District School Superintendents and is directed by a board of trustees. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

The City participates in Florida Local Government Investment Trust fund, (Florida LGIT), external investment pool. The Florida LGIT is a common law trust established under the laws of the State of Florida and is designed to meet both short and medium term cash management needs of its participants. The Fund is sponsored by the Florida Court Clerks and Comptrollers and the Florida Association of Counties and is directed by a board of trustees. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

Cocoa Beach Community Redevelopment Agency Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

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

Under GASB Codification 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2022, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's access to 100 percent of their account value in the external investment pools.

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

Interest rate risk – The City's investment policy does not address interest rate risk.

Credit risk – GASB Codification Section 150: *Investments* requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations.

Foreign currency risk – The City's investments are not exposed to foreign currency risk.

Concentration of credit risk – GASB Codification Section 150: *Investments* requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments.

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

**Cocoa Beach Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

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

- Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Agency has the ability to access.
- Level 2 (L2): Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

At September 30, 2022, the Agency had the following investments based on the Agency's investment balance allocated from the pooled investments of the City:

	S&P Rating	Level	Fair Value	Maturities (in years)		
				Less than 1	1 - 5	More than 5
Investments by fair value level						
Agency						
Debt securities - US						
government obligations	Aaa	L2	\$ 2,870	\$ 1,919	\$ 951	\$ -
FL PALM	AAAm	-	29,597	29,597	-	-
FL LGIT Short term bond fund	AAAf	-	4,227	4,227	-	-
FL LGIT Day to day bond fund	AAAm	-	29,598	29,598	-	-
FL SAFE NAV	AAAm	-	3,769	3,769	-	-
FL SAFE FIIP	N/A		7,433	7,433		
Total Agency			77,494	76,543	951	-

**Cocoa Beach Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital assets

The following is a summary of changes in the Agency's capital assets for fiscal year ending September 30, 2022:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Buildings	\$ 5,407,545	\$ -	\$ -	\$ 5,407,545
Improvements other than buildings	53,100	-	-	53,100
Total capital assets being depreciated	5,460,645	-	-	5,460,645
Less accumulated depreciation for:				
Buildings	(822,602)	(122,069)	-	(944,671)
Improvements other than buildings	(13,688)	(3,422)	-	(17,110)
Total accumulated depreciation	(836,290)	(125,491)	-	(961,781)
Total capital assets being depreciated, net	4,624,355	(125,491)	-	4,498,864
Governmental activities capital assets, net	\$ 4,624,355	\$ (125,491)	\$ -	\$ 4,498,864

Depreciation expense amounted to \$125,491 during fiscal year 2022, which is included on the statement of activities.

Intergovernmental Receivables, Payables, and Transfers

Transfers for the year ended September 30, 2022:

	Transfers in:	
	Primary Government	Total
Transfers out:		
Community Redevelopment Agency	41,252	41,252

Transfers are used to (1) move revenues from the fund that is required (per statute or budget) to collect them to the fund that is required (per statute or budget) to expend them and (2) return excess revenues not expended during the year back to the general fund at year-end in accordance with state statutes.

**Cocoa Beach Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities

Bonds Payable

Florida Municipal Loan Council Refunding and Revenue Bonds, Series 2017B, On September 1, 2017, the Downtown Cocoa Beach Community Redevelopment agency entered into an interlocal agreement with the Florida Municipal Loan Council for the issuance of bonds in an original amount of \$6,790,000 for which the Agency's proportionate share was \$4,245,000 of serial bonds. The serial bonds are payable in semi-annual installments beginning April 2018 through October 2031 and bear interest from 3% to 5% per annum. The bonds were issued to finance construction of a public parking garage in the Downtown Community Redevelopment Area consisting of approximately 241 parking spaces, bathrooms, showers and an elevator.

Pledged revenues and principal and interest payments are as follows:

	Amount of issue	Future Principal and Interest	Current Pledged Revenue	Current Principal & Interest	Current Percentage of Revenue
Pledged Revenue					
Governmental Activities					
Florida Municipal Loan Council					
Refunding and Revenue					
Bonds, Series 2017B	\$ 6,790,000	\$ 3,997,125	\$ 432,725	\$ 399,660	92%

Annual debt service requirements to maturity for the Agency's note payable are as follows:

<i>September 30,</i>	Principal	Interest	Total
2023	\$ 265,000	\$ 135,625	\$ 400,625
2024	280,000	122,000	402,000
2025	290,000	107,750	397,750
2026	305,000	92,875	397,875
2027	320,000	77,250	397,250
Thereafter	1,845,000	156,625	2,001,625
Totals	\$ 3,305,000	\$ 692,125	\$ 3,997,125

**Cocoa Beach Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities (Continued)

Long-term liability activity for the year ended September 30, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Florida Municipal Loan Council					
Refunding and Revenue					
Bonds, Series 2017B	\$ 3,555,000	\$ -	\$ (250,000)	\$ 3,305,000	\$ 265,000
Plus bond premiums	314,839		(28,619)	286,220	-
Total notes from direct borrowings	3,869,839	-	(278,619)	3,591,220	265,000
Total long-term liabilities	\$ 3,869,839	\$ -	\$ (278,619)	\$ 3,591,220	\$ 265,000

The bond payable is liquidated by tax revenues received by the Community Redevelopment Agency fund.

Note 3: RISK MANAGEMENT

Insurance

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Agency, through the City, purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for workers' compensation and automobile claims are limited to the maximum liability exposure the Agency faces under Florida statutes. Coverage for general liability claims is a maximum of \$1,000,000 combined single limit.

The commercial insurance carried is a claims incurred policy for which the Agency is covered for claims originating against the Agency during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The Agency has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended September 30, 2022.



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

**Downtown Cocoa Beach Community Redevelopment Agency
Schedule of Revenues, Expenditures, and Changes In Fund Balances –
Budget and Actual – Community Redevelopment Fund**

<i>For the year ended September 30, 2022</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 888,440	\$ 888,440	\$ 888,076	\$ (364)
Charges for services	245,200	245,200	432,725	187,525
Investment income	500	500	35	(465)
Miscellaneous revenues	-	-	3,000	3,000
Total revenues	1,134,140	1,134,140	1,323,836	189,696
Expenditures				
Current:				
Economic environment	168,372	169,386	169,446	(60)
Debt service:				
Principal retired	335,423	335,423	250,000	85,423
Interest and other	149,661	149,661	149,660	1
Total expenditures	653,456	654,470	569,106	85,364
Revenues over (under) expenditures	480,684	479,670	754,730	275,060
Other financing sources (uses)				
Transfers out	(41,252)	(41,252)	(41,252)	-
Net other financing sources	(41,252)	(41,252)	(41,252)	-
Net change in fund balances	439,432	438,418	713,478	275,060
Fund balances, beginning of year	803,558	803,558	803,558	-
Fund balances, end of year	\$ 1,242,990	\$ 1,241,976	\$ 1,517,036	\$ 275,060

Downtown Cocoa Beach Community Redevelopment Agency Budgetary Notes to Required Supplementary Information

Note 1. BUDGETARY INFORMATION

An annual budget is adopted by the Agency's Board on a basis consistent with U.S. generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

The Agency's Administrator or their designee may make transfers of appropriations within a department as long as the total budget of the department is not increased. Transfers of appropriations between departments require the approval of the Agency's Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The Agency's Board made several supplemental budgetary appropriations during the year.

Encumbrance accounting is employed for this governmental fund. Open commitments are recognized as expenditures in the period in which the actual goods or services are received and a liability is incurred. Encumbrances (e.g., contracts) outstanding at year end for unfulfilled obligations are cancelled and reappropriated in the succeeding year's budget. Accordingly, there were no encumbrances outstanding at year end.



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

The Honorable Chairman and Board Members
Downtown Cocoa Beach Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Downtown Cocoa Beach Community Redevelopment Agency, (the "Agency") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Downtown Cocoa Beach Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 31, 2023.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Downtown Cocoa Beach Community Redevelopment Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However,

providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

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

Melbourne, Florida

March 31, 2023



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INDEPENDENT AUDITORS' MANAGEMENT LETTER

The Honorable Chairman and Board Members
Downtown Cocoa Beach Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Downtown Cocoa Beach Community Redevelopment Agency (the "Agency") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 31, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 31, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Specific Information (unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6-8, Rules of the Auditor General, the Downtown Cocoa Beach Community Redevelopment Agency reported the information below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Downtown Cocoa Beach Community Redevelopment Agency reported:

- a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year was **None**
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year was **None**
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency. \$ -
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency. \$ -
- e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such projects as

Project name	Budget
None	\$ -

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

See page 37

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

- a. The millage rate or rates imposed by the Agency. 5.9544
- b. The total amount of ad valorem taxes collected by or on behalf of the Agency. \$ 888,076
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as \$3,305,000 due over 10 years.

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General: The Downtown Cocoa Beach Community Redevelopment Agency has not imposed any special assessments and therefore no reporting is required by Section 218.39(3)(c), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

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

Melbourne, Florida
March 31, 2023



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

The Honorable Chairman and Board Members
Downtown Cocoa Beach Community Redevelopment Agency's

We have examined the Downtown Cocoa Beach Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2022. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2022.

This report is intended solely for the information and use of the City Commission as the Agency's Board, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

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

Melbourne, Florida
March 31, 2023



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REDEVELOPMENT TRUST FUND

The Honorable Chairman and Board Members
Downtown Cocoa Beach Community Redevelopment Agency

We have examined the Downtown Cocoa Beach Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(6) and (7), Florida Statutes, Redevelopment Trust Fund Policies, during the year ended September 30, 2022. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

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

Our examination disclosed the following noncompliance with Section 163.387(6)(b), Florida Statutes, applicable to the Downtown Cocoa Beach Community Redevelopment Agency during the fiscal year ended September 30, 2022. The Agency did not submit its annual budget for fiscal year 2022 to the Brevard County Board of County Commissioners within 10 days after the adoption of such budget.

In our opinion, the CRA complied, in all material respects, with the requirements of Sections 163.387(6) and 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2022, except for as noted in the paragraph above.

This report is intended solely for the information and use of the City Commission as the Agency's Board, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

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

Melbourne, Florida
March 31, 2023