



CITY OF CAPE CANAVERAL

P.O. Box 326 • 100 Polk Avenue • Cape Canaveral, FL 32920-0326
(321) 868-1220 • www.cityofcapecanaveral.org

RECEIVED

APR 10 2024

County Manager's
Office

March 20, 2024

Brevard County Board of County Commission
c/o Frank Abbate, County Manager
2725 Judge Fran Jamieson Way
Viera, FL 32940

RE: CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY 2022/23 ANNUAL REPORT

Consistent with Section 163.356(3)(c), Florida Statutes, an annual Report for the Cape Canaveral Community Redevelopment Agency has been prepared. As a taxing authority, your agency is being forwarded a copy of the Report.

Please call me at (321) 868-1220, ext. 118, or email me at d.dickey@cityofcapecanaveral.org should you have any questions or need additional information.

Sincerely,

David Dickey, Community Redevelopment Agency Director

Attachment(s): 2022/23 CRA Annual Report

City of Cape Canaveral Community Redevelopment Agency (CRA) FY 22/23 Annual Report

MARCH 2024

City of Cape Canaveral
Community Redevelopment Agency
100 Polk Avenue
Cape Canaveral FL 32920
(321) 868-1220



Table of Contents

City of Cape Canaveral Community Redevelopment Agency (CRA) Officials 3

Introduction, Mission & History 4

City of Cape Canaveral CRA Boundary Map (Figure 1) 5

City of Cape Canaveral CRA Assessed Valuation 6

Statement of Revenues, Expenditures & Changes in Fund Balances 7

Projects Overview & Accomplishments (Current Year/FY22/23) 8

Performance Information 11

Summary 12

Attachment 1 Annual Audit Report (FY22/23)



Community Redevelopment Agency Officials

City Staff

Todd Morley
City Manager/CRA Registered Agent/Primary
Contact for the District
(321) 868-1220
t.morley@cityofcapecanaveral.org

Mia Goforth
CRA Clerk/Recording Secretary
(321) 868-1220
m.goforth@cityofcapecanaveral.org

Dave Dickey
CRA Director
(321) 868-1220
d.dickey@cityofcapecanaveral.org

Governing Board Members

Wes Morrison, Chairperson
w.morrison@cityofcapecanaveral.org

Kim Davis
council.davis@cityofcapecanaveral.org

Mickie Kellum
m.kellum@cityofcapecanaveral.org

Don Willis
d.willis@cityofcapecanaveral.org

Angela Raymond
a.raymond@cityofcapecanaveral.org



Introduction, Mission & History

Chapter 163.387 (8), Florida Statute, requires that the City file an annual report of its CRA's financial activities with the taxing authorities each year for the preceding fiscal year. Additionally, the City and Brevard County entered into an Interlocal Agreement, recorded in July of 2018, which established additional reporting obligations.

This report has been prepared to fulfill these reporting obligations for fiscal year 22/23 ending September 30, 2023. The report sets forth: (1) the organization and membership of the Community Redevelopment Agency, its Board members and administration, (2) an introduction to the CRA, its mission and history, (3) the CRA boundary, (4) financial reports, statement of liabilities, income/operating expenses, and (5) an overview of public and private construction projects completed and/or underway within the CRA.

In 2009, the City initiated the "Envision Cape Canaveral" effort, which set the stage for a series of redevelopment activities. One of the outcomes of the effort was the establishment of a City Vision Statement, which ultimately led to the creation of the City's CRA.

Between the years of 2007 and 2011, property valuation data, collected by the Brevard County Property Appraiser's Office (BCPAO), indicated an assessed value decline of 41 percent in commercial and industrial areas and 47 percent in residential areas within the Community Redevelopment Area.

Pursuant to Resolution No. 2012-10, the City CRA was established in 2012 with the signing of an Interlocal Agreement between the City and Brevard County. The CRA includes 766 acres or 56 percent of the City's land area (Figure 1).

Each year since the creation of the CRA, the BCPAO has reported increases in the assessed value of all properties in the CRA area (see Assessed Valuation graph on page 6).



City of Cape Canaveral CRA Boundary

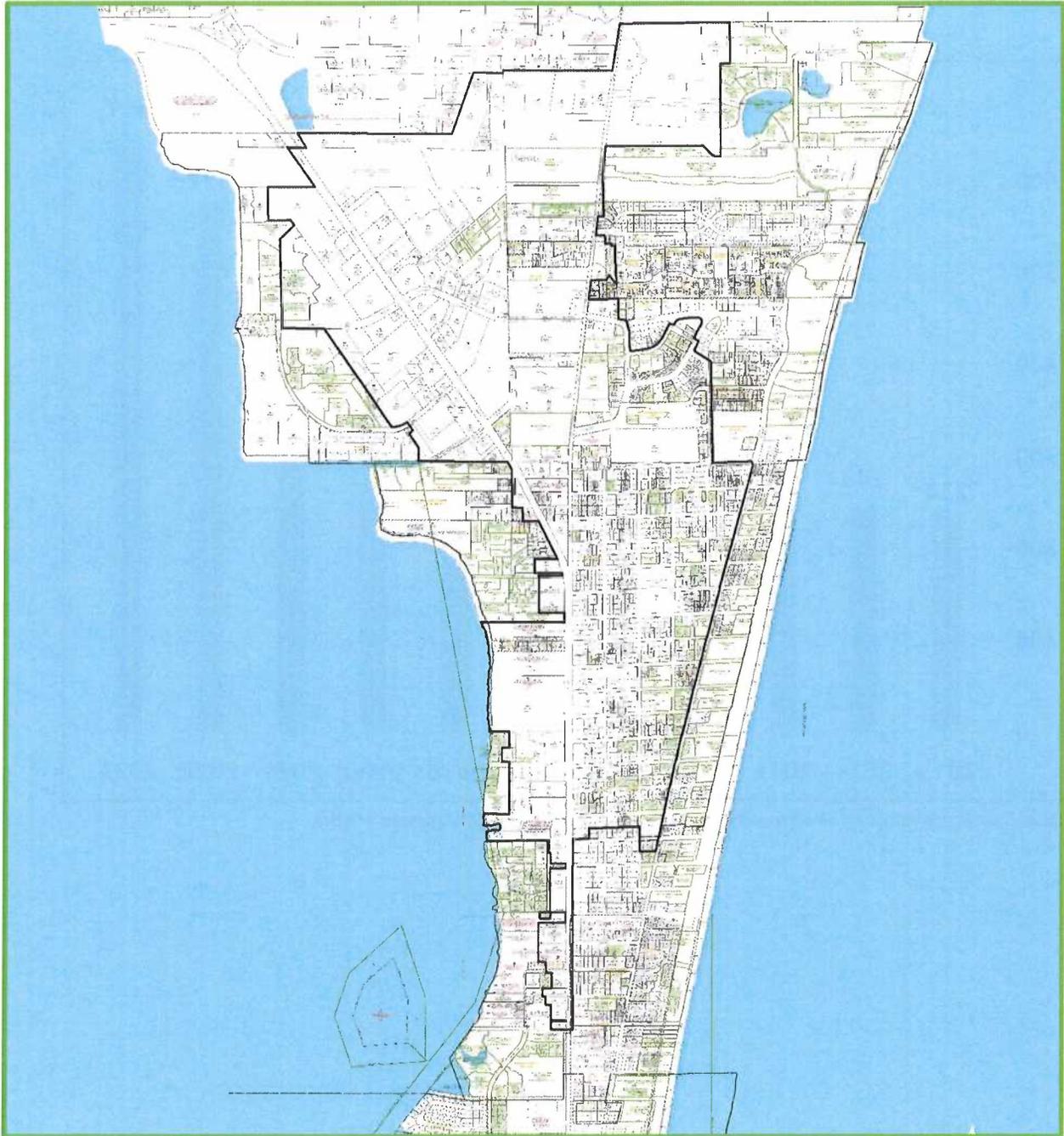


Figure 1. City of Cape Canaveral CRA Boundary (area outlined in black).



Assessed Valuation

(\$Millions)

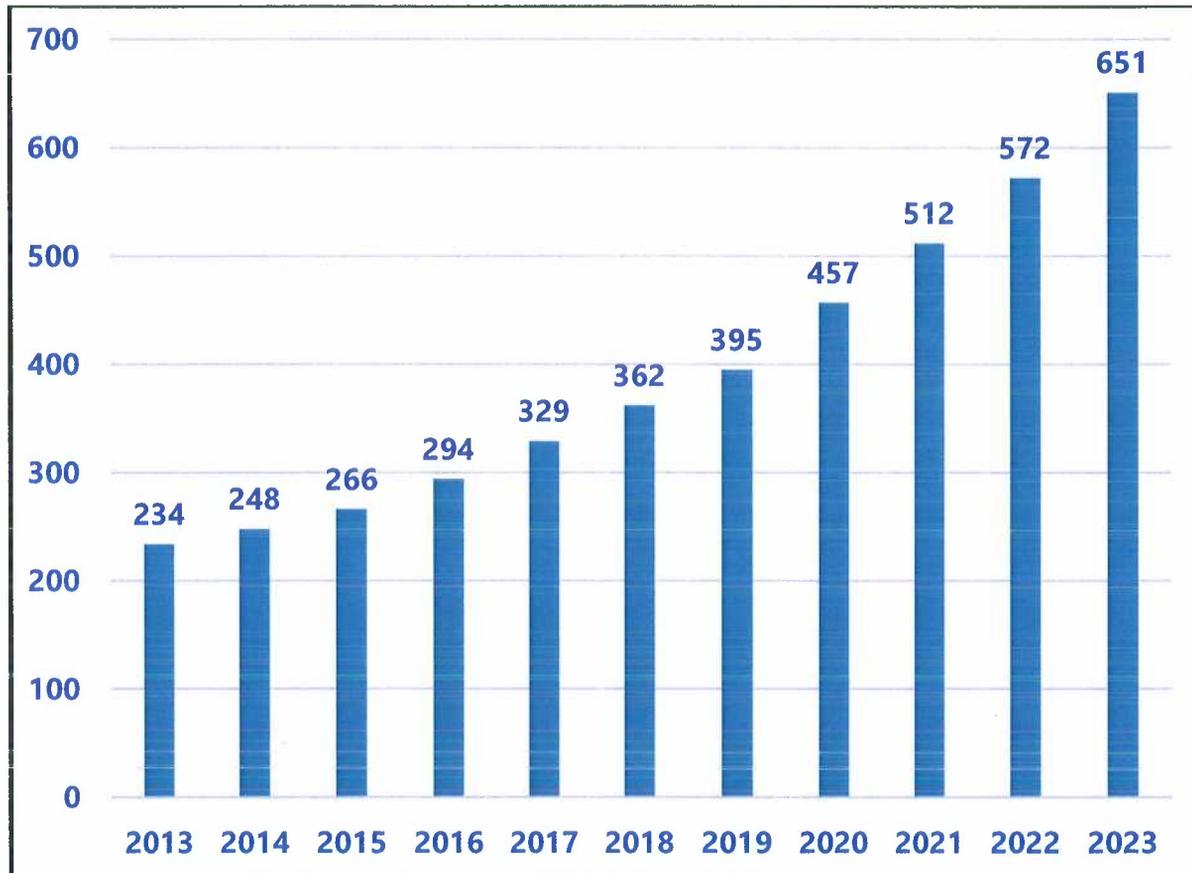


Figure 2. Assessed Valuation as determined by the Brevard County Property Appraiser's Office



Statement of Revenues, Expenditures & Changes in Fund Balances

	Cape Canaveral CRA Fund	Adjustments	Government Activities
Revenues			
Intergovernmental	2,158,371	-	2,158,371
Total Revenues	2,162,288	-	2,162,288
Expenditures			
Current:			
Community Redevelopment	2,351	-	2,351
Capital Outlay	660,695	-	660,695
Total Expenditures	663,046	-	663,046
Excess (deficiency) of revenues over expenditures	1,499,242	-	1,499,242
Other financing sources (uses)			
Transfers in from primary government	141,958	-	141,958
Transfers out to primary government	(1,428,392)	-	(1,428,392)
Net change in fund balance/net position	212,808	-	212,808
Fund balance/net position, beginning of year	(416,585)	-	(416,585)
Fund balance/net position, end of year	\$(203,777)	-	\$(203,777)

Source: City of Cape Canaveral Audited Annual Financial Report

CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023.



Projects Overview & Accomplishments (FY22-23)

The City of Cape Canaveral CRA is in its 12th year of operation and has increased in value approximately \$421 million since the first year of TIF distribution in 2012. The resulting Tax Increment Revenue allows for the continued expansion of public infrastructure and programs that positively impact the City. The City continues to fund public improvements through available dollars including the General and CRA funds. Some of the notable projects—both public and private—are indicated in the following pages.



Public Projects Overview & Accomplishments (FY22/23)

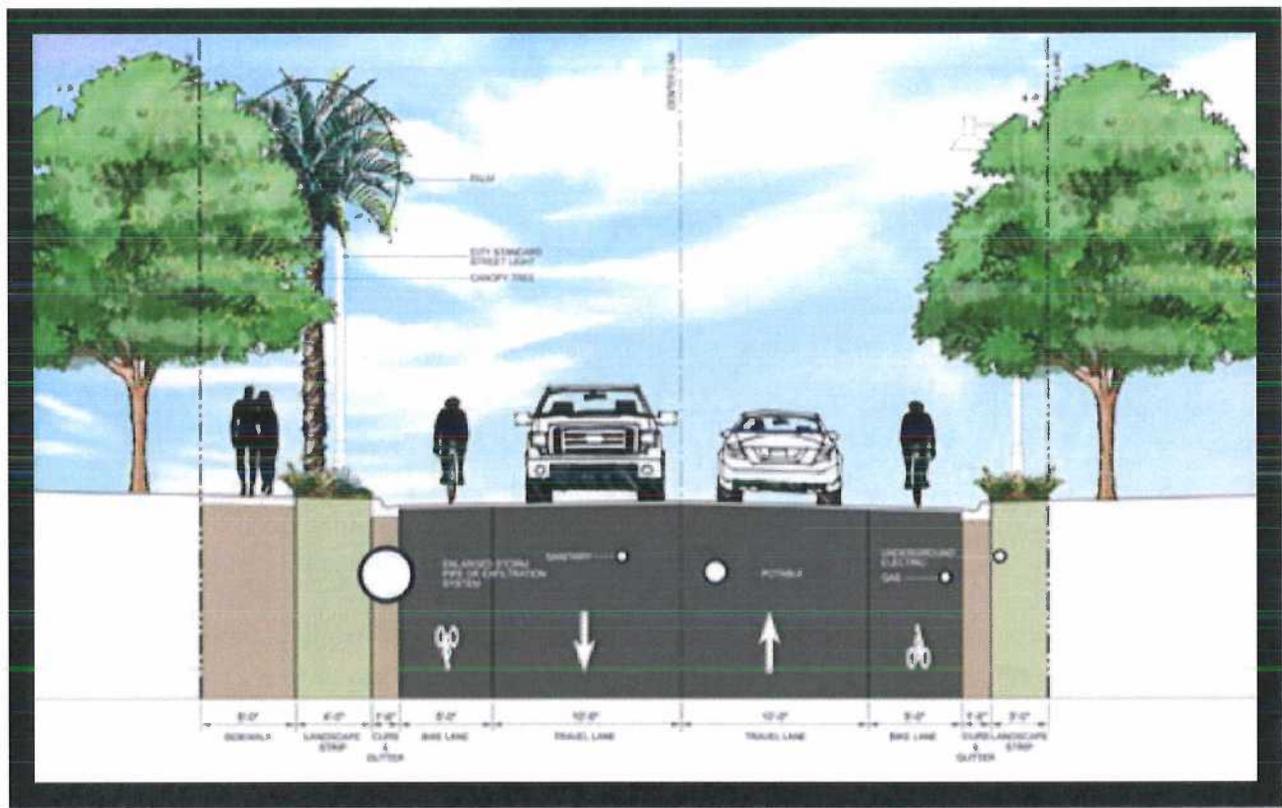
CAPE Center • 105 Polk Avenue

The CAPE Center Project included a complete renovation and re-purposing of the City's original 3,000 sq. ft. City Hall facility located at 105 Polk Avenue. Project components included a selective demolition process to reconstruct the exterior of the structure and remove the majority of interior walls, to include full asbestos abatement. The floor plan was completely reconfigured to accommodate a gallery, small storage and reception area, as well as indoor and outdoor programming space. A full upgrade to plumbing, electrical and HVAC systems was undertaken to meet sustainability needs, to include the installation of alternative energy features.



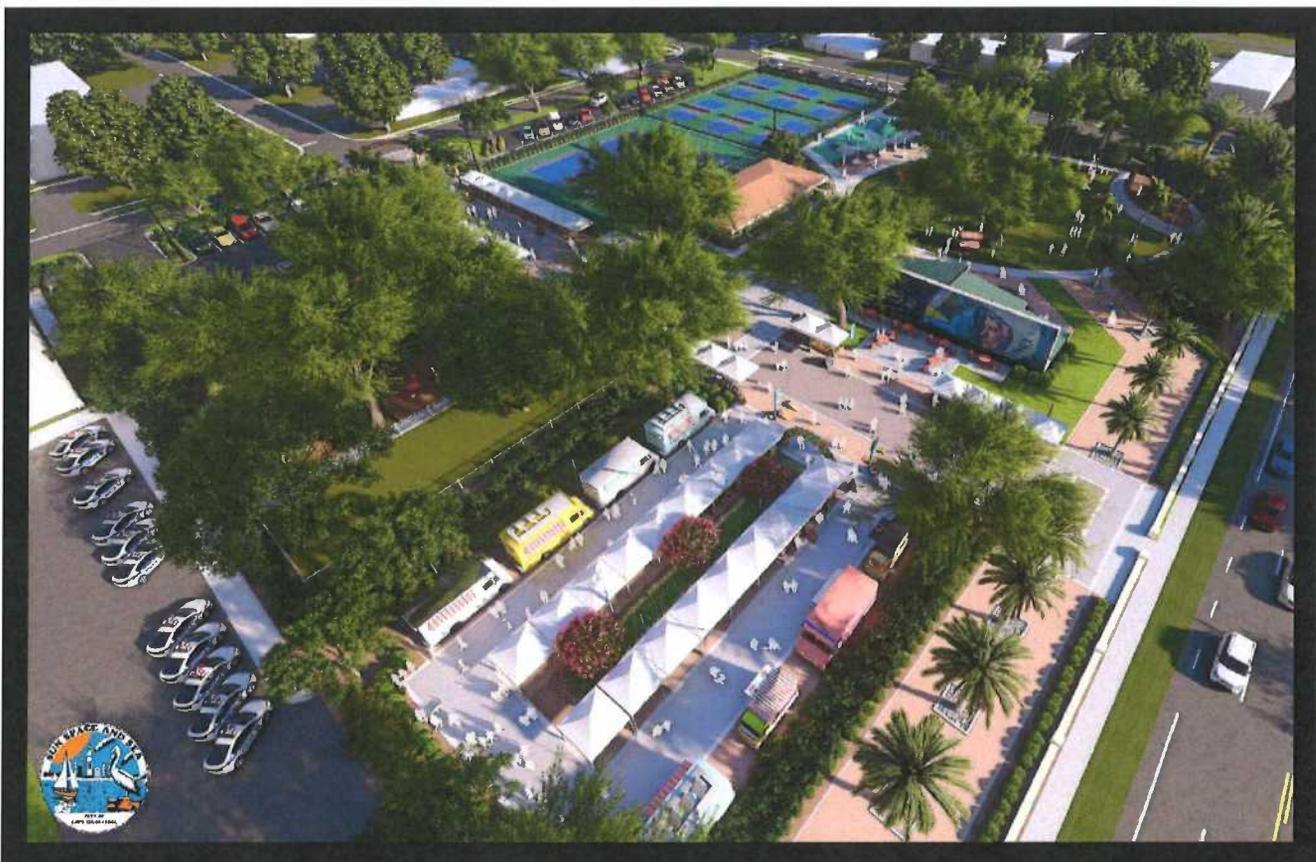
Presidential Streets Master Plan

During this reporting period, the City Council accepted the Presidential Streets Master Plan, a conceptual plan for a largely residential area located in the CRA, which provides high-level policy guidance for the systematic redevelopment of the City’s Presidential Streets via a design process involving community input, updated environmental, demographic and traffic analysis and incorporating the latest in future-ready resilient infrastructure. It is intended to provide long range guidance for Staff and Council Members, with recommendations intended to be implemented over the life of the CRA.



Civic Hub Master Plan

During the reporting period, the City developed conceptual plans for the Civic Hub Project, located on Taylor and Poinsetta Avenues. This multi-year, multi-faceted initiative, located within the CRA, will address stormwater issues and redevelop the southern portion of the City's municipal campus, to better serve the current and future Cape Canaveral community. Amenities such as tennis/pickle ball courts, a band shell, and community market facilities are proposed. The site will also be served by green infrastructure such as underground stormwater vaults, pervious pavement, and rainwater harvesting.



Private Projects Overview & Accomplishments (FY22/23)

Holiday Inn Express and Suites • 995 Shorewood Drive

This project started construction in 2022 and was substantially complete at the end of the reporting period. It consists of a 4-story hotel with 150 rooms. It is located on a 5-acre tract and consists of 81,643 square feet. This project is privately funded and is expected to add approximately \$18M to the tax rolls.



Performance Information

The following information is provided consistent with the Interlocal Agreement recorded in July 2018, between the City and Brevard County. In addition, Attachment 1 to this report includes the CRA audit report prepared by an independent auditor which certifies that TIF revenues have been lawfully expended consistent with Florida Statutes.

Total Projects

Started	2*
Completed	1

Jobs Created

Sector	Construction	Hospitality	Total
Temporary	150	50	200
Full-time	0	25	25
Jobs Retained	n/a	n/a	

Assessed Property Value

CRA Enactment (2011)	\$230M
Current	\$651M
Affordable Housing	0

*Hilton Garden Inn (Astronaut Boulevard) and Hyatt Place (Imperial Boulevard)



Summary

The CRA continues to build forward momentum through the 22/23 fiscal year as evidenced by an approximate 14 percent increase in its assessed value from the prior tax year.

The CRA is a tool for the City and property owners to help improve property values, business revenues and economic growth within the City of Cape Canaveral. The CRA strives to provide comprehensive support for the community, property owners and businesses. For more information, visit the CRA's webpage at www.cityofcapecanaveral.org.

You can learn about:

- Attending upcoming Board meetings;
- Minutes and agendas from prior meetings;
- Financial information for the CRA; and
- Contact information on how the CRA can help you.

All CRA Board meetings are open to the public and are held on a quarterly basis—unless cancelled due to no new business—in the Council Chambers at City Hall, 100 Polk Avenue. Please check the City Calendar at www.cityofcapecanaveral.org for meeting dates. We encourage you to attend!





February 8, 2024

To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

We have audited the financial statements of the City of Cape Canaveral Community Redevelopment Agency (the CRA) as of and for the year ended September 30, 2023, and have issued our report thereon dated February 8, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated September 30, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the CRA solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm has complied with all relevant ethical requirements regarding independence.

We have applied safeguards related to our preparation of the CRA's financial statements, including, but not limited to, an assessment of management's skill, knowledge, and experience.

Significant Risks Identified

Professional standards require that we, as auditors, identify significant risks that impact the audit based upon the nature of the organization and design our audit procedures to adequately address those risks. As part of the audit process, we have identified the following significant risks, which are being communicated solely to comply with auditing standards and do not represent any specific finding and/or concerns related to the audit:

- Override of internal controls by management
- Improper revenue recognition due to fraud
- Improper use of restricted resources

Our audit was designed to adequately address the above risks and no issues were noted that impacted our ability to render an opinion on the financial statements.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the CRA is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. There were no such significant accounting estimates in the financial statements.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the CRA's financial statements relate to:

Note 3 to the financial statements summarizes the CRA's deposits and investments.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you any significant unusual transactions identified during our audit. We identified no significant unusual transactions as a result of our audit procedures.

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. A summary of the uncorrected misstatements of the financial statements follows:

- None noted.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following list summarizes the corrected misstatements that have been recorded by management:

- None noted.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the CRA's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated February 8, 2024.

Management's Consultations with Other Accountants

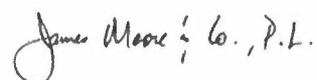
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the CRA, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the CRA's auditors.

This report is intended solely for the information and use of the governing board and management of the CRA and of the City of Cape Canaveral, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,



JAMES MOORE & CO., P.L.

**CITY OF CAPE CANAVERAL COMMUNITY
REDEVELOPMENT AGENCY**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
TABLE OF CONTENTS
SEPTEMBER 30, 2023**

	<u>Page Number(s)</u>
Independent Auditors' Report	1 – 3
Management's Discussion and Analysis	4 – 6
Basic Financial Statements	
Balance Sheet / Statement of Net Position	7
Statement of Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities	8
Notes to Financial Statements	9 – 12
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	14
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	15 – 16
Independent Auditors' Management Letter Required by Chapter 10.550, Rules of the State of Florida Office of the Auditor General	17 – 19
Independent Accountants' Examination Report	20



INDEPENDENT AUDITORS' REPORT

To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Cape Canaveral Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the CRA, as of September 30, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibility

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

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

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

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

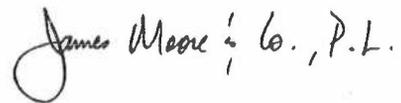
Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2024, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

Daytona Beach, Florida
February 8, 2024

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial "J" and a stylized "M".

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Cape Canaveral Community Redevelopment Agency's (the CRA) management's discussion and analysis (MD&A) 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 (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on current year activities, resulting changes, and currently known facts, it should be read in conjunction with the CRA's financial statements which follow this section.

Financial Highlights

- The liabilities of the CRA exceeded its assets at September 30, 2023, by \$(203,777) (net position). Of this amount, the entire balance (to the extent it is positive) was restricted for redevelopment purposes. Deficits are classified as unrestricted net position.
- As of September 30, 2023, the CRA's reported ending fund balances of \$(203,777). Fund balance saw a change of \$212,808 when compared to the prior year.

The MD&A is intended to serve as an introduction to the CRA's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Overview of the Financial Statements

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) government-wide and fund financial statements, 3) notes to the financial statements, and 4) required supplementary information.

Government-wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the CRA's finances in a manner similar to a private-sector business. The governmental activities of the CRA include reinvesting within the community redevelopment district.

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. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one 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 fiscal year. All changes in net position are reported using the modified cash basis of accounting.

Notes to the Financial Statements

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

Government-wide Financial Analysis

Statement of Net Position

The following is a summary of the CRA's governmental activities net position for each of the past two years:

	Governmental Activities	
	2023	2022
ASSETS		
Current and other assets	\$ 98,390	\$ 59,332
Total assets	<u>\$ 98,390</u>	<u>\$ 59,332</u>
LIABILITIES		
Current liabilities	\$ 302,167	\$ 475,917
Total liabilities	<u>\$ 302,167</u>	<u>\$ 475,917</u>
NET POSITION		
Restricted	\$ -	\$ -
Unrestricted	(203,777)	(416,585)
Total net position	<u>\$ (203,777)</u>	<u>\$ (416,585)</u>

Statement of Activities

The following is a summary of the changes in the CRA's governmental activities net position for each of the past two years:

	Governmental Activities	
	2023	2022
REVENUES		
Intergovernmental and grants	\$ 2,158,371	\$ 1,886,124
Other revenues	3,917	117
Total revenues	<u>2,162,288</u>	<u>1,886,241</u>
EXPENSES		
Community Redevelopment	2,351	1,418
Capital outlay	660,695	4,832,425
Total expenses	<u>663,046</u>	<u>4,833,843</u>
Net income before transfers	1,499,242	(2,947,602)
Transfers from primary government	141,958	3,206,595
Transfers to primary government	(1,428,392)	(820,032)
Change in net position	212,808	(561,039)
Net position , beginning of year	(416,585)	144,454
Net position , end of year	<u>\$ (203,777)</u>	<u>\$ (416,585)</u>

Financial Analysis of the General Fund

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

As of the end of the current fiscal year, the CRA's general fund reported an ending fund balance of \$(203,777), a change of \$212,808 in comparison with the prior year. This decrease was due to an aggressive capital spending plan and will be made up by future tax increment revenues in excess of expenditures.

At the end of the current fiscal year, the entire fund balance was unassigned (due to the fund balance deficit, as opposed to prior year restricted for community redevelopment classification). As the CRA is focused on reinvestment revenues into the CRA district and does not have significant annual operational costs, the CRA does not maintain specific reserve levels for operations.

General Fund Budgetary Highlights

Significant variations between original and final budget amounts were due to year-end budget true-up modification based on actual activity.

Actual expenditures in the general fund were \$165,250 less than final budget amounts. The main reason for this is due to the timing of capital projects and other one-time expenditures.

Budgetary comparisons between the final budget and actual results can be found on page 14 of this report.

Economic Factors and Next Year's Budget

There are many challenges facing local governments today. Property values have continued to increase in recent years, contributing to related growth in the revenues of the CRA. While property values for the subsequent fiscal year have increased, the future outlook of property values, and any potential impact they will have on the CRA's finances, are unknown.

Requests for Information

This report is designed to provide an overview of the CRA's finances for those with an interest in this area. Questions concerning any of the information found in this report, or requests for additional information, should be directed to the City of Cape Canaveral.

**CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET / STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	<u>Balance Sheet</u> <u>Cape Canaveral</u> <u>CRA</u> <u>Fund</u>	<u>Adjustments</u>	<u>Statement of</u> <u>Net Position</u> <u>Governmental</u> <u>Activities</u>
ASSETS			
Cash and cash equivalents	\$ 98,390	\$ -	\$ 98,390
Total assets	<u>\$ 98,390</u>	<u>\$ -</u>	<u>\$ 98,390</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 198,308	\$ -	\$ 198,308
Advances from primary government	94,361	-	94,361
Total liabilities	<u>302,167</u>	<u>-</u>	<u>302,167</u>
FUND BALANCE / NET POSITION			
Fund Balance:			
Restricted for:			
Community redevelopment	-	-	-
Unassigned	(203,777)	203,777	-
Net Position:			
Restricted for:			
Community redevelopment	-	-	-
Unrestricted	-	(203,777)	(203,777)
Total fund balance / net position	<u>(203,777)</u>	<u>-</u>	<u>(203,777)</u>
Total liabilities and fund balance / net position	<u>\$ 98,390</u>	<u>\$ -</u>	<u>\$ 98,390</u>

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

**CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Statement of Revenues, Expenditures, and Changes in Fund Balance Cape Canaveral CRA Fund	Adjustments	Statement of Activities Governmental Activities
Revenues			
Intergovernmental	\$ 2,158,371	\$ -	\$ 2,158,371
Investment income	3,917	-	3,917
Total revenues	<u>2,162,288</u>	<u>-</u>	<u>2,162,288</u>
Expenditures / expenses			
Current:			
Community redevelopment	2,351	-	2,351
Capital outlay	660,695	-	660,695
Total expenditures / expenses	<u>663,046</u>	<u>-</u>	<u>663,046</u>
Excess (deficiency) of revenues over expenditures / operating income (loss)	<u>1,499,242</u>	<u>-</u>	<u>1,499,242</u>
Other financing sources (uses)			
Transfers in from primary government	141,958	-	141,958
Transfers out to primary government	(1,428,392)	-	(1,428,392)
Total other financing sources (uses)	<u>(1,286,434)</u>	<u>-</u>	<u>(1,286,434)</u>
Net change in fund balance / net position	<u>212,808</u>	<u>-</u>	<u>212,808</u>
Fund balance / net position, beginning of year	(416,585)	-	(416,585)
Fund balance / net position, end of year	<u>\$ (203,777)</u>	<u>\$ -</u>	<u>\$ (203,777)</u>

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

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:**

The financial statements of the City of Cape Canaveral Community Redevelopment Agency (the CRA), have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles and the CRA has adopted the GASB Codification. The following is a summary of the CRA's significant accounting policies:

(a) **Reporting entity**—The City of Cape Canaveral Community Redevelopment Agency was created in 2016, by City Ordinance 2015-O-04 of the City of Cape Canaveral, Florida (the City), pursuant to Florida Statute 163.387, to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the designated community redevelopment area. Since the City is financially accountable for the activities of the CRA, its governing board is the same, and its relationship to the CRA is significant, the CRA is considered to be a blended component unit in the City's financial statements, where it is also reported as a major special revenue fund. The CRA has determined there are no component units that meet criteria for inclusion in the CRA's financial statements.

(b) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the CRA. The CRA only has governmental activities and does not engage in any business-type activity. Direct expenses are those that are clearly identifiable with a specific function or segment. General revenues include ad valorem taxes and interest income. Fund financial statements are presented for the CRA's General Fund. The General Fund, which accounts for all financial operations of the CRA, is considered to be a major fund and is the only fund of the CRA.

(c) **Measurement focus, basis of accounting, and financial statement presentation**—The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the grantor 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 when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers property revenues to be available if they are collected within 60 days of the end of the current period. Grants, other intergovernmental revenues, charges for services, 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. Expenditures generally are recorded when a liability is incurred. However, expenditures related to long-term agreements are recorded only when payment is due.

(d) **Budgets and budgetary accounting**—The governing board of the CRA adopts an annual operating budget, which is prepared on a modified accrual basis and can be amended by the board throughout the year. At the fund level, actual expenditures cannot exceed the budgeted amounts. The accompanying budgeted financial statements for the General Fund reflect the final budget authorization amounts, including all amendments.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Deposits and investments**—The CRA’s cash and cash equivalents include cash on hand, demand deposits and short-term investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

(f) **Receivables and payables**—Activity between the CRA and the City has been classified as amount due to/from the primary government on the balance sheet and statement of net position. All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of outstanding balances and historical trends. At September 30, 2023, all of the CRA’s receivables were considered fully collectible.

(g) **Prepaid items**—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

(h) **Capital assets**—The CRA does not own any capital assets. Any capital outlay expenditures made by the CRA are deemed to be on behalf of the City who takes ownership of the assets along with the perpetual maintenance obligation for those assets.

(i) **Long-term obligations**—The CRA does not have any legal indebtedness. Any use of funds for debt service, which is included in transfers to the primary governments, represents payments toward long-term debt issued in the name of the City for which CRA revenues have been pledged.

The CRA does not have any employees. Any employees who provide services to the CRA are employees of the primary government and do so at either no charge to the CRA, or any allocations made to the CRA represent reimbursements by the CRA to the primary government for services rendered (any items recorded to personnel expense accounts are only for ease of tracking the reimbursement amounts). As a result, there is no compensated absences, other post-employment benefits (OPEB), or pension liabilities recorded on the CRA’s financial statements.

(j) **Fund equity**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable – amounts not available to be spent or not in spendable form, such as inventory and prepaid items.

Restricted – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts constrained to specific purposes based on actions taken by the CRA governing board through ordinance.

Assigned – amounts the CRA intends to use for a specific purpose. Intent can be expressed by the CRA governing board or by an official or body which the Board delegates authority.

Unassigned – amounts that are available for any purpose.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

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

(k) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The CRA has no items that meet this reporting criteria.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The CRA has no items that meet this reporting criteria.

(l) **Net position flow assumption**—Sometimes the CRA will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the CRA's policy to consider restricted net position to have been used before unrestricted net position is applied.

(m) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

(2) **Reconciliation of Government-Wide and Fund Financial Statements:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The CRA has no items reported differently between these two statements.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The CRA has no items reported differently between these two statements.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Deposits and Investments:

The CRA is subject to the investment policy of the primary government and has no cash or investment held outside of the CRA's interest in the City's pooled cash and investments. Additional accounts are held for various other purposes, or to segregate cash balances for amounts which are restricted or held on behalf of others. State statutes authorize the CRA to invest excess funds in time deposits, or obligations of the principal and interest of which are unconditionally guaranteed by, the United States Government, commercial paper, corporate bonds, repurchase agreements and/or the State Board of Administration (SBA) Local Government Surplus Trust Fund Investment Pool or other investment vehicles authorized by local ordinance.

As of September 30, 2023, all CRA deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required if deemed necessary.

All of the CRA's deposits are held with public depositories and as of September 30, 2023, the CRA's deposits and investments were not subject to any substantial interest rate, credit, or concentration risks.

(4) Commitments and Contingencies:

The CRA is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2023. The outcomes of established claims are included in these financial statements. In the opinion of the CRA and the primary government's legal counsel, no legal proceedings are pending or threatened against the CRA which are not covered by applicable insurance which would inhibit its ability to perform its operations or materially affect its financial condition.

The CRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters, all of which is satisfactorily insured by limited risk, high deductible commercial general liability insurance. Commercial insurance policies are also obtained for other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

(5) Fund Deficit:

The CRA's general fund balance deficit at year-end is expected to be recovered through future revenues in excess of expenditures.

(6) Recent Accounting Pronouncements:

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the CRA's financial statements:

- (a) GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends various provisions regarding the calculation methodology and required disclosures related to the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 2,199,618	\$ 2,158,371	\$ 2,158,371	\$ -
Investment income	288	3,917	3,917	-
Total revenues	<u>2,199,906</u>	<u>2,162,288</u>	<u>2,162,288</u>	<u>-</u>
Expenditures				
Current:				
Community redevelopment	350,324	161,034	2,351	158,683
Capital outlay	1,232,312	667,262	660,695	6,567
Total expenditures	<u>1,582,636</u>	<u>828,296</u>	<u>663,046</u>	<u>165,250</u>
Excess (deficiency) of revenues over expenditures	<u>617,270</u>	<u>1,333,992</u>	<u>1,499,242</u>	<u>165,250</u>
Other financing sources (uses)				
Transfers in from primary government	250,000	141,958	141,958	-
Transfers out to primary government	(867,270)	(1,475,950)	(1,428,392)	47,558
Total other financing sources (uses)	<u>(617,270)</u>	<u>(1,333,992)</u>	<u>(1,286,434)</u>	<u>47,558</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>212,808</u>	<u>212,808</u>
Fund balances, beginning of year	(416,585)	(416,585)	(416,585)	-
Fund balances, end of year	<u>\$ (416,585)</u>	<u>\$ (416,585)</u>	<u>\$ (203,777)</u>	<u>\$ 212,808</u>



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*

To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Cape Canaveral Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements and have issued our report thereon dated February 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

James Moore & Co., P.L.

Daytona Beach, Florida
February 8, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

Report on the Financial Statements

We have audited the basic financial statements of the City of Cape Canaveral Community Redevelopment Agency (the CRA), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated February 8, 2024.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of 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 February 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and 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 had no such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

Specific Special District Information

The required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the CRA have been reported in the separately-issued audited financial statements of the CRA.

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CRA reported the following unaudited data:

- a) The total number of district employees compensated in the last pay period of the district's fiscal year: -0-.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year: -0-.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$-0-.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$-0-.

- e) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - a. Mobility/sidewalks - \$116,071
 - b. Capital Initiatives at City Park - \$123,688
 - c. C5 Construction - \$69,027
 - d. Cape Center - \$251,019
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows: a summary of the budget amendments for the CRA can be found on page 14.

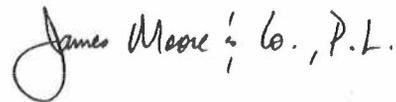
Additional Matters

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 which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

Daytona Beach, Florida
February 8, 2024





INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

We have examined the City of Cape Canaveral Community Redevelopment Agency's (the CRA) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, and Sections 163.387(6) and (7), Florida Statutes, *Redevelopment Trust Fund* (collectively, the "Statutes"), for the year ended September 30, 2023. The City's management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards for a direct examination engagement established by the American Institute of Certified Public Accountants. Those standards require that we obtain reasonable assurance by measuring (or evaluating) the City's CRA against the Statutes, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement or evaluation of the City's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that the City's investment policies were not in accordance with the Statutes, in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the City of Cape Canaveral Community Redevelopment Agency was in accordance with aforementioned requirements for the year ended September 30, 2023, in all material respects.

A handwritten signature in black ink that reads "James Moore & Co., P.L." with a stylized flourish at the end.

Daytona Beach, Florida
February 8, 2024

