

# City of Titusville

## Community Redevelopment Agency



## Annual Report

### FY 2021 - 2022

Prepared by  
City of Titusville  
Community Development  
& Finance Departments

# **Downtown Community Redevelopment Agency**

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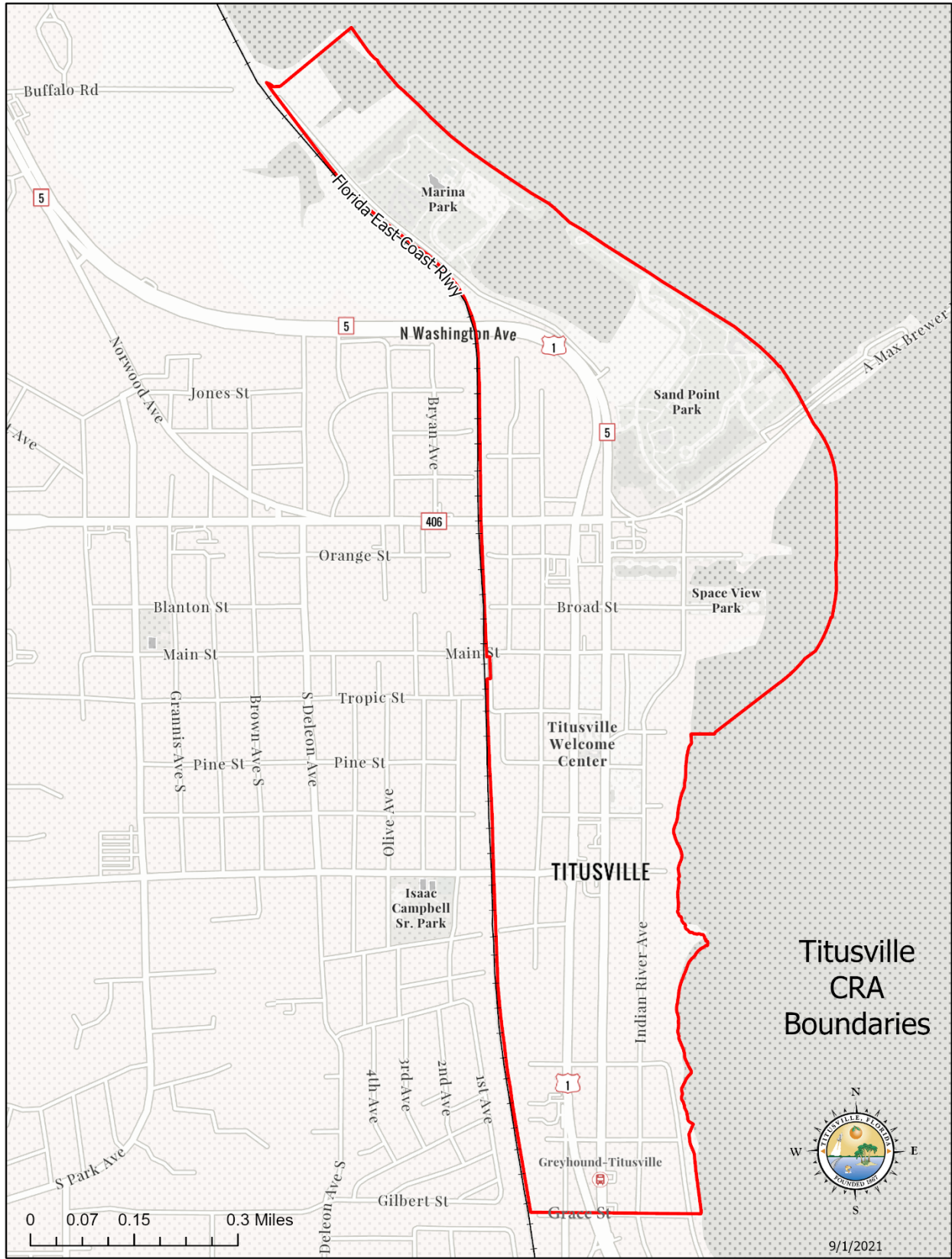
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Jenna Ryan, Finance Manager  
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## **Introduction**

The City of Titusville's Community Redevelopment Agency (CRA) was created by the State of Florida in 1982, and the Community Redevelopment Plan was adopted in 1984. Since its creation, the Titusville Community Redevelopment Agency has played an integral role in the revitalization of the Downtown area and the surrounding community. The Downtown area has faced many challenges similar to those in other areas of Florida and the nation. The vision of Titusville's Downtown was established by residents who attended workshops in the 1980's, 1990's, 2000's, and as recently as FY 2022 and determined a set of goals and priorities that have evolved over the years. The original vision of the Redevelopment Plan still stands as a foundation for redevelopment in the Downtown and surrounding neighborhoods.

In an effort to provide residents and visitors with a memorable experience, the City envisions the addition of new mixed-use buildings on infill lots, renovated historic buildings, new open space amenities, enhanced streetscape conditions, new public facilities such as water and sewer infrastructure, and low impact development (LID) techniques for storm water. Development standards will be aimed at increasing the area's capacity to accommodate new growth while preserving the historic character of the community. By combining these features with a smarter approach to growth, the City will realize a downtown that will attract sustainable growth and create a unique sense of place in which all residents can be proud.

The Downtown CRA encompasses approximately 300 (299.42) acres of land on the eastern edge of the City and is over a mile and half from its northernmost area at the municipal waterfront park and marina complex, to its southern terminus at Grace Street. The CRA includes the Historic Downtown, or core area and a number of small neighborhoods. The CRA is bounded by the Indian River waterfront on the east and north and by the Florida East Coast Railroad tracks on the west. The CRA parallels the Indian River and includes over 1.9 miles of waterfront as shown on the following map.



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## Assessed Real Property Values & Tax Increment Fund Revenue History

The original base year real property value for the Titusville Downtown CRA in 1982 was \$20,495,020. The Titusville Downtown CRA assessed property value in the reporting year of FY 2022 was \$116,418,937, which is an increase of \$10,821,218 in value from the FY 2021 assessed property value.

A history of the Titusville CRA Tax Increment Revenue per year since FY2005–2006 is found in Table-1 below. Prior to FY 2005–2006 the Downtown CRA had a steady but low tax increment since its inception in 1982. Since FY 2009, the CRA’s tax increment revenue has been more volatile due to the impacts of both new development and economic conditions.

**Table 1: Tax Increment Revenues by Year (Audited)**

FY 2005-2006	\$ 286,787
FY 2006-2007	\$ 589,533
FY 2007-2008	\$ 922,899
FY 2008-2009	\$ 876,391
FY 2009-2010	\$ 792,703
FY 2010-2011	\$ 724,997
FY 2011-2012	\$ 655,653
FY 2012-2013	\$ 631,488
FY 2013-2014	\$ 699,901
FY 2014-2015	\$ 712,212
FY 2015-2016	\$ 766,683
FY 2016-2017	\$ 793,838
FY 2017-2018	\$ 867,986
FY 2018-2019	\$ 919,020
FY 2019-2020	\$ 961,910
FY 2020-2021	\$ 979,345
FY 2021-2022	\$ 982,381

The Tax Increment Financing (TIF) revenues for the Downtown CRA increased substantially in fiscal year 2006 - 2007 due to the completion of the Harbor Pointe condominium complex. The first building was added to the tax rolls in fiscal year 2006-2007. This revenue allowed the CRA to complete projects that were not possible with revenues from the previous years.

The three remaining Harbor Pointe buildings were added to the tax rolls in fiscal year 2007 - 2008. Due to the economic downturn, increased foreclosures nationwide, and the end of the NASA Space Shuttle Program, the revenue in fiscal years 2008 - 2009 to 2012-2013 decreased. The reduction in revenues during those years resulted in a greater percentage of revenues being dedicated to debt service, thereby limiting redevelopment projects that were being undertaken by the CRA during those years. After bottoming out in FY2012-2013, tax increment revenues have increased each year since to where they have surpassed the FY2007-2008 high.

In 2011, the CRA authorized issuance of a Public Improvement Revenue Note in an amount not to exceed \$2,535,000 to finance roadway and landscaping improvements in conjunction with the FDOT U.S. 1 project. In February 2013, the CRA approved partial repayment of the loan for \$850,000. The repayment funds were the result of lower than anticipated projects costs. The CRA’s action produced a total savings of \$1.27 million. The CRA also paid off the Commons Project Bond at a cost of approximately \$95,000. The loan repayments reduced the annual debt service in FY2014-2015 from

34% to 19% of the Annual Revenues, thus providing more opportunities for capital projects in the future. The percentage of annual debt service to annual tax increment values has continued to decline due to a combination of the increase in tax increment values and debt payments.



Harbor Pointe Condominiums on Indian River Avenue

## **Fiscal Year 2021-2022 Capital and Non-Capital Projects**

The Downtown CRA has continued with existing projects during the 2021 - 2022 fiscal year as well as started new projects as shown below.

### **Completed Capital Projects and Their Estimated Cost:**

- ❖ Commercial Interior Building Renovation, Commercial Beautification, and Permit & Fee Grant Programs (operational – see detailed grant payouts in the narrative below),
- ❖ Stormwater Cured In-place Pipe Lining (\$130,000)
- ❖ Sidewalk Infill (\$58,000)
- ❖ Julia Street Light Improvements (\$60,253)
- ❖ Street Resurfacing (\$181,385)
- ❖ Bicycle Repair Station at Sand Point Park (\$1,638.35)
- ❖ Twelve (12) six (6) foot aluminum park benches at Sand Point Park (\$4,750)
- ❖ Two (2) thirty (30) feet by twenty (20) feet cantilevered shade structures at Marina Park (\$65,111)
- ❖ Three (3) Gridsmart Detection Cameras for Main Street – US-1 intersections (\$43,425)
- ❖ Light Pole Banners Replaced (\$4,004.96)

### **Capital Projects Started but not Completed in the Fiscal Year and Their Estimated Cost:**

- ❖ Water Resources Utilities Infrastructure (\$47,000)
- ❖ Additional groundcover landscaping at US-1 intersections (\$33,405)
- ❖ Julia Street Resurfacing (between Palm Avenue and S. Hopkins Avenue) (\$38,000)

More detail about these projects follows.

## **Commercial Interior Building Renovation, Commercial Beautification, and Permit and Impact Fee Incentive Grant Programs**

In FY 2016 – 2017 the CRA created a Commercial Interior Renovation Incentive Grant Program to assist property owners and commercial tenants of older buildings to bring their structures up to current Americans with Disabilities Act (ADA), the Florida Fire Protection Code, and the Florida Building Code standards. The Commercial Interior Building Renovation Incentive Grant Program helps to expand and improve under-used buildings to increase commercial and mixed use intensity, bring buildings up to code, assist small businesses in the CRA to grow and prosper, and to promote job creation in the district. This grant program offers financial assistance in the form of a reimbursable, fifty percent (50%) matching grant up to a maximum of \$50,000 to the property owner or business owner for eligible expenses associated with the renovation and rehabilitation of the following interior elements of commercial and mixed use building space:

- ❖ ADA requirements
- ❖ Florida Fire Protection Code requirements
- ❖ Florida Building Code requirements including:
  - Interior plumbing to meet code
  - Interior electrical system including lighting to meet code
  - HVAC system to meet code

During fiscal year 2017-2018 the CRA expanded its matching Building Grants Incentive Programs by drafting and approving a new Permit & Impact Fee Incentive Grant Program, revising the Commercial Interior Renovation Grant Program and reactivating and revising its Commercial Beautification Grant Program. The Permit & Impact Fee Program provides a maximum \$50,000 matching one-to-one grant to help offset the cost of permits and impact fees for new construction in the CRA. The Commercial Interior Renovation Grant Program was revised to provide an additional \$50,000 matching one-to-one grant for interior building renovations that provide residential and nonresidential mixed-use as an incentive for residential units to be added to the CRA and spur housing in the downtown. The Commercial Beautification Grant Program provides a \$40,000 matching one-to-one grant for façade and exterior improvements to buildings in the CRA to improve the appearance of the CRA/downtown and to eliminate blight. The Grant Programs were further revised to provide payment of seventy-five (75%) of the grant award at project completion and the remaining twenty-five (25%) of the grant award with occupancy of the building at one (1) year after completion of the improvements as an incentive for building owners to have their buildings occupied and not sit empty. The expanded grant program became operational in FY 2019.

A total of ten (10) CRA Building Grants were awarded in the fiscal year. Eight (8) of the grants awarded were Commercial Beautification (Façade) Grants and two (2) were Commercial Interior Renovation Grants. The total amount of grant funds awarded was \$200,914 with Beautification Grants accounting for \$186,637.50 and Interior Renovation Grants accounting for \$14,276.50 of the total amount.

Five (5) grant payouts were made during the fiscal year. The grant payouts were for four (4) Commercial Beautification (Façade) grants and one (1) Commercial Interior Renovation grant. The total payout for the grants during the fiscal year was \$39,863.32. The breakdown of the payouts was \$32,439.07 for the Commercial Beautification (Façade) grants and \$7,424.25 for the Commercial Interior Renovation grants.

Since these are fifty (50%) matching reimbursable grants with a maximum cap, the grant program leverages more than double the grant amount of investment in the CRA. A CRA Grant Return on Investment History Report completed in FY 2019 found that for completed grant projects and for grant projects under construction the return on investment was \$14.71 for every \$1 of CRA grant money awarded. Considering only completed grant projects since 2008, the ROI was \$3.14 for \$1 of CRA grant money. The reason for the large difference between completed project and both completed and under

construction is that there are two (2) major construction projects presently taking place in the CRA, the Launch Now project with an estimated cost of \$5 million of construction and the Beachwave project with an estimated cost of \$3 million. The Beachwave project was completed in FY2021. The Launch Now project is now slated to be completed in FY2023.

The return on investment study shows how the grant program is helping to prevent deterioration of older historic properties in the CRA; stimulate interest and investment in the District; encourage the development of business and job growth; and encourage the utilization of existing business stock and new construction in the CRA.

### **Stormwater Cured In-place Pipe Lining**

In July of 2021 the CRA and City Council approved a Budget Amendment in the amount of \$130,000 to install stormwater cured in-place pipe liner at two (2) locations in the CRA. The locations were Grace Street between US-1 and S. Hopkins Avenue and Palm Avenue between Main Street and Julia Street. Both locations were in critical need of repair. The cured in-place method is more cost effective and allows the roadways to remain open and usable during the process. The slip lining also allowed for Grace Street to be resurfaced in FY2022 and prevents the excavation of recently paved Palm Avenue in order to repair the pipes. The project was started in FY2021 and was completed in November, 2022.

### **Sidewalk Infill**

The CRA provided for sidewalk infill and Americans with Disabilities Act (ADA) improvements on the east side of S. Lemon Avenue and the north side Broad Street between S. Palm Avenue and S. Lemon Ave. The sidewalk work was designed and completed in-house by the Public Works Department due to issues with soliciting bid proposals. The sidewalks were installed in December of FY 2021 – 2022.



### **Julia Street Light Improvements**



The CRA replaced the three (3) existing purple gothic pedestrian lamp posts on the south side of Julia Street between S. Hopkins Avenue and S. Palm Avenue with two (2) pedestrian lamp posts consistent with those pedestrian lamp posts on S. Washington Avenue and S. Hopkins Avenue. The project included not only lamp posts but also trenching, running conduit, wiring, and power drops. An award of contract was issued to Rush Facilities in the amount of \$60,253 to construct the pedestrian lights. The installation of the lights was completed in July. The total resurfacing of Julia Street between S. Palm Avenue and S. Hopkins Avenue was moved to Fiscal Year 2023 due to contractor scheduling.

### **Street Resurfacing**

During the fiscal year the CRA resurfaced the following street segments located in the CRA: Grace Street between US-1 & S. Hopkins Avenue; Brevard Street east of S. Washington Avenue; Julia Street west of Palm Avenue; Broad Street east of Indian River Avenue and west of Palm Avenue; Palmetto Street; S. Hopkins Avenue from US-1 to Grace Street; Stephen House Way; and Mariners Way. The streets were resurfaced as part of the City's annual street paving program to leverage costs. The CRA's cost to resurface the streets was \$181,385.



### **Bicycle Repair Station at Sand Point Park**



With the closing of the bicycle shop at the Downtown Welcome Center in FY 2020 due to the Covid pandemic and supply and manufacturing shortages, there was a need for self-repair bicycle stations in the downtown and along the Downtown Connector bicycle trail. In FY 2021 the CRA purchase two (2) bicycle repair stations. One of the repair stations was installed at the Downtown Welcome Center and the other was installed at the trail adjacent to Indian River Avenue near the intersection of Broad Street and Indian River Avenue by Space View Park. Due to the popularity of the repair stations and the need

for a repair station at Sand Point Park as informed by North Brevard County Parks & Recreation staff, a third bike repair station was ordered and installed at Sand Point Park in February, 2022.

### **Aluminum Park Benches at Sand Point Park**

Based on intergovernmental coordination with North Brevard County Parks staff, it was determined that there was a need for park benches in Sand Point Park. The CRA purchased a total of twelve (12) six (6) foot aluminum park benches with back supports for the park. County Parks staff installed the park benches in June of 2022.



### **Cantilevered Shade Structures at Marina Park**

Also based on coordination with Brevard County Parks management staff, it was determined that one of the number one request from Marina Park users was the need for a shade structure at the Dog Park area of Marina Park. The CRA paid for the purchase and installation of two (2) thirty (30) foot by twenty (20) foot cantilevered shade structures to provide shade for both dogs and their owners as recommended from input from dog park users. The shade structures were completed in August.





### **Gridsmart Intersection Detection Cameras**

Due to the signal detection system at Main Street and S. Washington Avenue and at Main Street and S. Hopkins Avenue not detecting pedestrians and cyclists using the Downtown Connector Trail on Main Street, three (3) Gridsmart intersection detection cameras were purchased and installed in-house at the intersections mentioned so that trail users and vehicles can be detected and trip the traffic signals at the noted intersections to allow the trail users to cross the busy intersections.



### **Additional US-1 Landscape Infill at US-1 Intersections**

Additional ground landscaping was added to intersections of US-1 (S. Washington Avenue and S. Hopkins Avenue) in the CRA district based on input from citizens who did not favor adding new hanging pedestrian light pole vegetation baskets with faux vegetation. The funds that would have paid for the baskets and faux vegetation was then used to plant additional ground vegetation along the US-1 corridor. This project was completed in FY2023.

### **Light Pole Banner Replacement**

The light pole banners on S. Washington Avenue and S. Hopkins Avenue between South Street and Garden Street were replaced due to the existing banners becoming faded after almost four (4) years of service. One hundred and thirty eight (138) new replacement banners were purchased with six (6) graphics promoting the beaches, bicycle trails, kayaking/water recreation, the historic downtown, rocket launches, and space history. The total cost of the banners was \$4,004.96.



### **Non-Capital Projects**

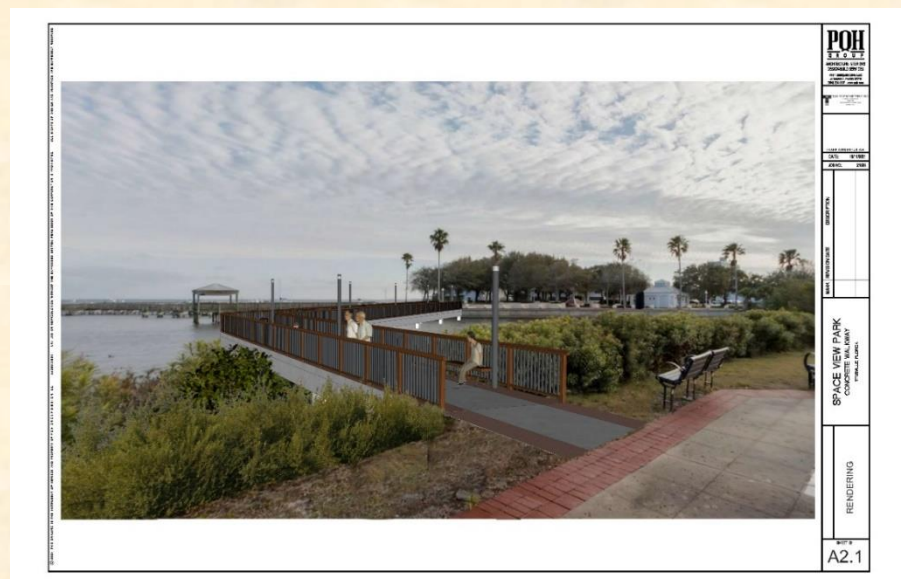
The Non-Capital Projects that occurred over the fiscal year are as follows:

- ❖ Spaceview Park Connecting Pedestrian Pier Feasibility Study/Final Design
- ❖ Streetscape Landscaping and Facilities Maintenance
- ❖ Community Policing
- ❖ Historic Preservation Activities
- ❖ Land Use Development Review Activities
- ❖ Redevelopment Plan Update

### **Spaceview Park Connecting Pedestrian Pier Feasibility Study**

The CRA approved advisability in July 2019 and a budget amendment in September 2019 to fund a feasibility study for a pedestrian pier to connect Spaceview Mercury Park to Spaceview Gemini Park. The parks are separated by an inlet that requires visitors to back track to visit both parks. If found feasible to construct, the pier will meet the CRA's Plan goal of connecting the City's parks and providing a water front attraction for residents and visitors to view rocket launches. In January 2020 a Request for Qualifications (RFQ) was advertised to conduct a Feasibility and Conceptual Design Study. Taylor Engineering, Jacksonville, Florida, was selected in March 2020 to do the study. A contract with Taylor

Engineering was signed in July 2020. In February of 2021 Taylor Engineering presented the Feasibility Study and Conceptual Design to the CRA. Based on the presentation, the CRA recommended moving forward to have a contract for a final design of the presented Concept #1. At the May 2021 CRA meeting the CRA and City Council approved an award of contract for Taylor Engineering to provide a final design of the Spaceview Park Connecting Pedestrian Pier at a cost of \$92,833. Taylor Engineering worked on final design and bid plans during the fiscal year. The CRA continued to budget for this project so that if approved, the walkway pier will be paid for on a pay as you go basis.



Artist computer rendition of the Connecting Pedestrian Pier

**Streetscape Landscaping and Facilities Maintenance**

The CRA continued its funding of the general maintenance of the plantings, lighting and street furniture funded by the CRA along the US-1 corridor (Washington Avenue & Hopkins Avenue) and in the Titusville Downtown Commons area. The maintenance provided by the CRA along the US-1 corridor is at a higher level of maintenance than provided by the Florida Department of Transportation and helps to protect the CRA’s investment. Maintenance in FY 2022 included the pressure washing of the following sidewalks in the CRA: S. Washington Avenue from Palmetto Street to Main Street, Stephen House Way, Mariners

Way, and the Julia and Nevins Court Yards. The CRA also continues to fund the cost of irrigation and utilities along US 1 and a full time maintenance worker.

### **Community Policing**

In June 2014, the CRA initiated a Community Policing program. The program consists of law enforcement officers deployed on an overtime basis during varying days and times. Increased activities in the CRA District include business contacts, directed patrols, traffic details, community relations, neighborhood patrols and anti-burglary details. This is thought to be a more cost-effective method to provide coverage as needed, rather than one full-time officer who would have less flexibility to address issues as they arise.

Program accomplishments for the fiscal year are listed below. As the community policing initiative augments the Titusville Police Department's regular presence in the CRA, only those activities conducted during the community policing details are provided. CRA Police Details totaled 750.5 hours for the fiscal year and the details involved 3,189 Property Checks; 1,557 Traffic Stops; and 912 Suspicious Persons/Vehicles/Incidents.

Total incident statistics in the redevelopment district for the fiscal year not part of the CRA Police details were as follows:

Vehicle Burglaries – 11 (FY2021 – 18) (FY 2020 - 16) (FY2019 - 41)  
Residential Burglaries – 4 (FY2021 – 0) (FY2020 - 2) (FY2019 – 2)  
Commercial Burglaries – 3 (FY2021 – 4) (FY2020 - 10) (FY2019 – 11)

Traffic Stops – 1,157 (FY2021 - 1,269) (FY2020 - 1,140) (FY2019 – 748)  
Traffic Accidents without injuries – 137 (FY2021 – 138) (FY2020 – 122) (FY2019 -165)  
Traffic Accidents with injuries – 43 (FY2021 – 52) (FY2020 -54) (FY2019 – 29)

Burglary Comparison between the CRA and Citywide:

CRA District – 18 (FY2021- 28) (FY2020 – 28)  
City Wide – 326 (FY2021 – 402) (FY2020 – 555)

Calls for Service between the CRA and Citywide:

CRA – 7,934 (FY2021 - 8,683)  
Citywide – 95,623 (FY2021 - 114,392)

The incident statistics show that the Community Policing details had a continued emphasis on reducing vehicle burglaries and enforcing traffic laws during the fiscal year. The statistics show a positive trend in the reduction of crime in the CRA.

### **Historic Preservation Activities**

The CRA District is home to many of the City's historic resources. The preservation of these historic resources in the Community Redevelopment District adds to the City's pride and creates pedestrian and visitor appeal, which provides economic development for the City. Historic Preservation activities that directly involved the CRA District included the award of a State of Florida Division of Historical Resources Small Matching Grant in July 2022 in the amount of \$40,000 to fund the creation of Architectural Style and Design Guidelines for use by the City Historic Preservation Board when doing design review of designated historic structures and for property owners of historic and potentially historic structures to use when making renovations to their properties.



The City's Explore Historic Titusville booklet, mobile phone app and web site (<http://history.titusville.com>), which provides walking/driving tours/audio recordings of historic resources of the City from the area's first indigenous inhabitants to the Space Program, was awarded a Florida Preservation 2022 award for Preservation Communication/Media. The majority of the history and historic landmarks in the booklet, app and web site walking/driving tour are found in the Redevelopment District.

### **Land Use Development Review Activities**

One of the duties of the CRA Agency is to provide input and recommendations to the City Council on land use decisions occurring in the redevelopment district. A summary of the land use activities that the CRA was involved in during FY 2021 – 2022 is as follows:

- CUP #9-2021 – In December of 2021 the CRA recommended approval to the City Council for a conditional use request to locate a child care facility at 213 S. Palm Avenue;
- Ordinance #13-2022 - In April of 2022 the CRA recommended approval to the City Council regarding a text amendment to include marinas as a permissible land use on the east side of US-1 in the Uptown Subdistrict in the Downtown Mixed Use (DMU) zoning district;
- Ordinance #14-2022 – In April of 2022 the CRA recommended approval of a text amendment to permit car rental agencies with limitations to locate in the Midtown Subdistrict in the DMU zoning district instead of by conditional use approval.
- The CRA recommended approval of a Memorandum of Understanding (MOU) for the Titusville Chamber of Commerce to continue to operate a Fall 2022 Farmers Market Token Program to be funded with American Rescue Plan funds at a location in the CRA district. The program restarted in September, 2022.

### **Redevelopment Plan Update**

A scope from the consultant S&ME, Inc. was approved by the CRA in December of 2021 to draft a Plan Update (\$34,060) and an Initiatives Plan (\$34,172) to update the 2015 Redevelopment Plan Update. The 2022 Redevelopment Plan Update was drafted during the fiscal year and adopted in October of 2022, in Fiscal Year 2023.



### **Scobie Park Improvements**

The award of a \$40,728.58 Tourist Development Council grant funded the planting of mangroves, the installation of park benches, upland landscaping, a bioswale, a pervious walkway, viewing binoculars, and environmental interpretive signage at Scobie Park. Scobie Park is located near the intersection of Indian River Avenue and Main Street. The project was completed in July, 2022.





## New Construction & Businesses

A goal of the City's CRA Plan is to encourage private sector investment in the CRA. New building construction and major renovation work to existing buildings helps the City in combating blight. It also encourages others to invest in the CRA. A total of forty five (45) new Business Tax Receipts (BTR) were approved in the CRA District during the fiscal year. Here are some examples of some of the new businesses and major renovation and construction that occurred in FY 2021 – 2022 in the CRA District:



Launch Now Mixed Use Development almost complete



Moefit Fitness & Blue Marlin Realty



Emmylynn Salon



Daley Trade Food & Restaurant



Mutter Realty Building almost complete



Brevard Financial Academy

## Summary of Redevelopment Plan Goals Achievement

State legislation requires a summary indicating to what extent, if any, the community redevelopment agency has achieved the goals set out in its redevelopment plan. As noted above an update to the 2015 Redevelopment Plan Update was prepared in FY 2022 but not adopted until October of 2022 in Fiscal Year 2023. Since the 2022 Redevelopment Plan Update was not adopted until FY 2023, a summary of the 2015 Redevelopment Plan Update goals achievement will be performed. The summary of the goal achievement is as follows.

### Becoming a Trail Town

The CRA is well into achieving the goal of making downtown Titusville a "Trail Town" with the completion of the Downtown Connector Trail in FY2019; the installation of primary wayfinding signs and other amenities such as downtown directory signage, a downtown welcome center, bike racks, the purchase and installation of two (2) bicycle repair stations in past fiscal years, etc.; and by being designated the second Trail Town in the State of Florida by the Florida Department of Environmental Protection, Greenway & Trails Division in FY2019. Work was completed on the construction of the missing link of trail between Indian River Avenue and the A. Max Brewer Bridge in the CRA. The trail link from Parrish Park east of the A. Max Brewer Bridge to the Merritt Island Wildlife Refuge property line was completed in FY 2021. In FY 2022 an additional bicycle repair station was installed at Sand Point Park; side streets were paved; pedestrian lights were replaced on Julia Street and sidewalks were installed along Lemon Avenue and Broad Street. Work still needs to be done to construct the trail link from the west Merritt Island National Wildlife Refuge property line to the Canaveral National Seashore; providing better wayfinding signage for trail users in the CRA; and continuing to improve streets, parks, sidewalks, lighting, and parking in the downtown, including possible trail heads in the District.

### Vibrant Community Initiative

The vibrant community initiative goal involves increasing residential development in the downtown, the support of arts and entertainment facilities, and integrating existing recreational facilities in the downtown to make downtown a live, work and play destination. The CRA is working to attain this goal with the Launch Now development under construction with the assistance of the CRA Grant Program. Launch Now will provide twenty (20) new boutique apartment units in a mixed use building in the heart of the Historic Downtown. The Launch Now project with the assistance of CRA Building Program grants is slated to be completed in fiscal year 2023. A second residential development with 384 total multifamily units known as Horizon at Sand Point is in the Building Permit stage and is taking advantage of the increase in residential density and building height in the Uptown Subdistrict of the CRA. The CRA provided design approval of the Horizon development in Fiscal Year 2021. The Horizon at Sand Point developer has acquired additional adjacent property in FY 2022 and revised their site plan during the fiscal year. Construction is estimated to begin in Fiscal Year 2023. More residential including workforce, and low & moderate housing is needed as pointed out in the City's Strategic Economic Development

Plan to make the CRA more vibrant. In addition, the Titusville Playhouse has purchased property in the Julia Street – Palm Avenue area and has plans to create an entertainment district in that area with plans to add a new 500 seat theater, a 150 seat black box theater, an outdoor concert and stage venue, and other ancillary uses including eating and drinking establishments which will add to the vibrancy of the CRA/downtown. The CRA will need to consider additional public infrastructure in this area to help make this area an entertainment district.

The City has used Federal American Recovery Act and American Rescue Plan funding to bring back the successful well attended Farmers Market to the Downtown CRA district in the fall of 2021, and the spring and fall of 2022 to provide food for low and moderate income people suffering from the economic issues caused by the lingering pandemic.

The CRA has supported the arts by wrapping traffic signal boxes designed by local artists along US Route 1 and by encouraging murals on buildings in the CRA. More and different kinds of art can be incorporated into the CRA to truly make the downtown a destination for visitors and residents.

The CRA is continuing to integrate existing recreational sites with the completion of the Downtown Connector Trail and by approving a feasibility study and then a final design and bid documents for a pedestrian observation pier to link two (2) existing parks separated by water. The pedestrian-observation pier will become a waterfront destination for residents and visitors wanting to view rocket launches and take in the scenic view of the Indian River Lagoon. Other park improvements have included a splash pad, BMX bicycle track, skateboard facility, etc. over the years. This past fiscal year in partnership with the North Brevard County Parks and Recreation staff, the CRA installed twelve (12) park benches in Sand Park and two (2) shade structures at the dog park in Marina Park. Long range plans call for a waterfront trail to connect recreational sites to the downtown and to areas to the south.

### **Community Policing**

Community Policing is an ongoing endeavor in the CRA. Special details to combat homeless and panhandling issues, traffic issues like speeding on S. Washington Avenue and S. Hopkins Avenue, burglaries, prostitution solicitation issues, etc. will be needed to continue to make the CRA a safe place to live, work, visit, invest, and play. The use of cameras being installed in three (3) strategic areas of the CRA as a pilot project will help the Police Department in solving traffic incidents and crimes, and thus help in reducing criminal activities. The Police Department has also used mail-outs and banner signs to promote various crime prevention campaigns such as "Lock It or Lose It", "Click It or Ticket", and variable message board signs to promote traffic safety in the redevelopment district.

### **Historic Preservation**

Historic Preservation is a tool for the revitalization and adaptive reuse of historic buildings in the City. The majority of historic structures in Titusville are located in the CRA. These historic buildings are an asset to the City and create the City's character. This goal has been furthered with the creation of a Historic Preservation Board, a Historic Preservation Ordinance, the designation as a Certified Local Government; the designation of eleven (11) historic resources to the Local Historic Register as one (1) was demolished in FY 2022; the creation of a local Ad Valorem Property Tax Exemption Ordinance and the CRA Building Grant Program which can be used as an incentive to renovate historic resources; and the printing of a Titusville Historic Landmarks brochure. As stated earlier, the City obtained a State of Florida Division of Historic Resources Small Matching Grant in July 2020 in the amount of \$30,000 to fund the creation of a Explore Historic Titusville booklet, mobile app, and website which provide walking/driving tours/audio recordings of historic landmarks in the City. The booklet and walking/driving tours help to identify the City's historic resources and will help to provide economic development with visitors touring the city's historic landmarks and visiting city businesses while touring the City. The "Explore Historic Titusville" program received a 2022 Florida Trust for Historic Preservation Communication/Media award. There are many more historic resources in the CRA that need to be designated to prevent their razing and/or inappropriate façade renovation in order to maintain the City's

downtown heritage and culture. A \$40,000 Florida Department of Historical Resources FY 2023 Small Matching was awarded to the City in July, 2022 to develop architectural guidelines to help owners of historic buildings when making renovations to preserve the historic architectural characteristics of their buildings. The guidelines will be completed by June, 2023.

### **Commercial Beautification Grant & Structural Rehabilitation**

The goal of the CRA's Commercial Beautification & Structural Rehabilitation Grant Program is to provide incentives to existing and new property owners to upgrade the exteriors for aesthetics, interiors to meet code requirements, and to incentivize new construction that will ultimately lead to higher occupancy rates, increased property values, and to increase the visual appearance of the CRA. The creation of the CRA's Commercial Interior Renovation Grant in previous years, the reinstating of the Commercial Beautification Grant and the creation of the Building Permit and Impact Fee Grant that went into effect in FY 2019 helped to further this goal. As previously stated the return on investment of the grant program shows that the program is worthwhile in priming the pump of investment in the CRA. There are many properties in the CRA that can take advantage of this incentive and are as shown above in this report.

### **Side Street Streetscape**

Side street streetscape refers to the streets that intersect with US Route 1 (Washington Avenue and Hopkins Avenue). The streets include Orange Street, Broad Street, Main Street, Julia Street, Pine Street, Palmetto Street, South Street, and St. Johns Street. In previous years the CRA has funded the resurfacing of Orange Street east of S. Washington Avenue, Main Street, Orange and Pine Streets west of Hopkins Avenue and Lemon Avenue. As was noted above in the report, the following side street segments located in the CRA: Grace Street between US-1 & S. Hopkins Avenue; Brevard Street east of S. Washington Avenue; Julia Street west of Palm Avenue; Broad Street east of Indian River Avenue and west of Palm Avenue; Palmetto Street; S. Hopkins Avenue from US-1 to Grace Street; Stephen House Way; and Mariners Way were resurfaced in FY 2022. Pedestrian street lights along Julia Street, between Palm Avenue and Hopkins Avenue, were replaced with new poles with LED lights during this past fiscal year. While working on the 2022 Redevelopment Plan streetscaping of side streets will become a major goal of the new Plan that was adopted in FY 2023.

### **Underground Utilities**

Converting the overhead power lines on US Route 1 and on Broad Street to underground has been found to be cost prohibitive at this time. A study in 2007 found that the cost to convert the lines to underground as part of the US 1 Streetscaping project in 2010 would be \$1.4 million. The cost would be even higher today. This goal of the Redevelopment Plan has been put on the back burner until it becomes financially feasible. The developers of the Launch Now development project near the corner of S. Washington Avenue and Main Street has buried the overhead electric wires along a stretch of S. Washington Avenue to accommodate their development. Future public – private partnerships may provide a way to bury power lines in the downtown at specific areas of the downtown.

### **Targeted Property Acquisition**

Targeted property acquisition is a strategic measure that can be used to attract development or provide public improvements such as parks, storm water ponds and conveyance, roads, etc. Without obtaining a loan or bond, it is financially unfeasible for the CRA to purchase any properties at this time. It may be possible for the CRA to form a public-private partnership to acquire strategic property for a desired development, such as affordable housing developments, in the CRA with the use of tax increment reimbursement with potential developers.



### **Wayfinding Signage Program**

The CRA has implemented the initial wayfinding signage to include seven (7) directional signs along the Downtown Connector Trail, two (2) downtown directory signs, and two (2) pole signs at the Welcome Center property directing visitors to the Welcome Center and Julia Street parking lot. Additional detailed wayfinding/directional signs are needed for the connector trail and for landmarks in the downtown such as the historic district, the Veterans Memorial, the Space Monuments, the fishing/shrimping pier, the various parks, and the municipal marina. The CRA will continue to look at implementing additional wayfinding signage in the district.

### **Event Sponsorship and Marketing**

The CRA stopped funding Special Events in FY 2017. The CRA determined that it wanted to concentrate funding on brick and mortar projects and not on special events. Marketing of the CRA has been transferred to the City's Economic Development Division. This goal continues to be no longer in effect.

### **Banner Signs**

Street banners attached to pedestrian light poles in the CRA have included downtown activities such as music, dining, history, culture and the environment. Banners have also been installed to commemorate significant events in the city such as was done for the City's celebration of the City's 150<sup>th</sup> anniversary of its founding in 2017. Sixty six (66) holiday themed banners were purchased in FY 2019-2020 to provide for a more festive holiday season in the CRA. The installation of banners on a seasonal and on a replacement basis due to weathering and age will be a continuing activity that adds to the vibrancy of the City. In FY2022 banners were purchased to replace the weathered banners purchased in 2018 that promote the city's culture, environment, space industry, and tourism.

### **Downtown Stormwater Plan**

It has been determined that a regional stormwater master plan would be cost prohibitive to implement due to the number of drainage basins that traverse the CRA and due to the ruling that the City's Stormwater Utility could not pay for the plan. In FY 2019 the CRA advocated the use of Low Impact Development (LID) techniques and public – private partnerships to create stormwater facilities to handle stormwater runoff in the CRA. The implementation of this goal will be a continuing process. Previously a baffle box was installed at the intersection of Indian River Avenue and Main Street to catch pollutants prior to entering the Indian River Lagoon. In FY2022 stormwater pipe linings funded by the CRA and improvements to Scobie Park including vegetated bioswales, mangrove plantings and upland vegetation funded by a grant were completed to help in treating stormwater entering the Indian River Lagoon. A future project to improve stormwater drainage in the CRA will involve tree infiltration box filters.

## **Financial Audit Information**

The financial information for the Titusville CRA on the following pages is as reported by the independent auditing firm of James Moore & Company, 121 Executive Circle, Daytona Beach, Florida, 32114. The data was taken from the City of Titusville's Comprehensive Annual Financial Report, Fiscal Year ended September 30, 2022. The financial statement provides information on the Agency's assets, liabilities, income, and operating expenses as of the end of fiscal year 2021 – 2022 in accordance with Chapter 163, Part III, Florida Statutes. Total expenditures from the Redevelopment Trust Fund in the fiscal year were \$1,336,082.

An audit report of the CRA's FY2021 - 2022 expenditures by the James Moore & Company is also included in this financial section of the Annual Report.

The total amount of funds expended for affordable housing for low income and middle income persons and families was zero (0) in the CRA. It should be noted that the CRA adopted a new Redevelopment Plan in October, 2022 which provides for new CRA Housing Policies regarding providing for low and moderate and workforce housing in the CRA district. The CRA currently has a grant incentive for interior improvements such as ADA, Plumbing, Electrical, and HVAC to existing buildings to be brought up to code for mixed use buildings and or the conversion of commercial buildings to mixed use that can be used to help provide for low and moderate and workforce housing units. The Building Permit and Impact Fee Grant program can also be utilized to assist in the development of new low and moderate income housing in the redevelopment district. The CRA can also provide incentives such as tax increment reimbursement to potential low and moderate housing projects in the CRA district on a case by case basis.

**TITUSVILE COMMUNITY REDEVELOPMENT AGENCY**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2022**

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY  
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SEPTEMBER 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

To the Governing Board,  
Titusville 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 Titusville Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2022, 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, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the CRA, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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, 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.

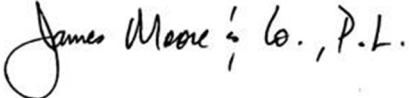
## ***Required Supplementary Information***

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2023, 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  
March 20, 2023

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

Titusville 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 assets of the CRA exceeded its liabilities at September 30, 2022, by \$1,692,847 (net position). Of this amount, \$510,495 represents the net investment in capital assets, and \$1,182,351 was restricted for redevelopment purposes.
- As of September 30, 2022, the CRA's reported ending fund balances of \$1,182,351. Fund balance saw a change of \$(180,787) 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 into 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:

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Current and other assets	\$ 1,217,917	\$ 1,672,117
Capital assets	510,495	523,017
Total assets	<u>\$ 1,728,412</u>	<u>\$ 2,195,134</u>
<b>LIABILITIES</b>		
Current liabilities	\$ 35,566	\$ 292,225
Advances from other funds	-	16,754
Total liabilities	<u>\$ 35,566</u>	<u>\$ 308,979</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 510,495	\$ 523,017
Restricted	1,182,351	1,363,138
Total net position	<u>\$ 1,692,846</u>	<u>\$ 1,886,155</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:

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
<b>REVENUES</b>		
Property taxes	\$ 982,381	\$ 979,345
Other revenues	(43,133)	2,703
Total revenues	<u>939,248</u>	<u>982,048</u>
<b>EXPENSES</b>		
Community development	770,480	351,054
Capital outlay	578,124	387,824
Total expenses	<u>1,348,604</u>	<u>738,878</u>
Net income before transfers	(409,356)	243,170
Transfers to primary government	(135,462)	(137,043)
Change in net position	(193,309)	106,127
<b>Net position</b> , beginning of year	1,886,155	1,780,028
<b>Net position</b> , end of year	<u>\$ 1,692,846</u>	<u>\$ 1,886,155</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 \$1,182,351, a change of \$(180,787), in comparison with the prior year.

At the end of the current fiscal year, the entire fund balance was restricted for community development. 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***

There were significant amendments between the original and the final CRA budget, which were to provide for spending authority of an additional \$1,679,624 in capital expenditures.

Actual expenditures in the general fund were \$1,226,493 less than final budget amounts. The main reason for this is due to the timing of capital project and other one-time expenditures.

Budgetary comparisons between the final budget and actual results can be found on page 15 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 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 Titusville.

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY  
BALANCE SHEET / STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

	<u>Balance Sheet</u> <u>General</u> <u>Fund</u>	<u>Adjustments</u>	<u>Statement of</u> <u>Net Position</u> <u>Governmental</u> <u>Activities</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,240	\$ -	\$ 4,240
Investments	1,213,677	-	1,213,677
Capital assets:			
Non-depreciable	-	200,000	200,000
Depreciable, net	-	310,495	310,495
Total assets	<u>\$ 1,217,917</u>	<u>\$ 510,495</u>	<u>\$ 1,728,412</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 35,566	\$ -	\$ 35,566
Total liabilities	<u>35,566</u>	<u>-</u>	<u>35,566</u>
<b>FUND BALANCE / NET POSITION</b>			
Fund Balance:			
Restricted for:			
Community redevelopment	1,182,351	(1,182,351)	-
Net Position:			
Net investment in capital assets	-	510,495	510,495
Restricted for:			
Community redevelopment	-	1,182,351	1,182,351
Total fund balance / net position	<u>1,182,351</u>	<u>510,495</u>	<u>1,692,846</u>
Total liabilities and fund balance / net position	<u>\$ 1,217,917</u>	<u>\$ 510,495</u>	<u>\$ 1,728,412</u>

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

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<b>Statement of Revenues, Expenditures, and Changes in Fund Balance</b>		<b>Statement of Activities</b>
	<b>General Fund</b>	<b>Adjustments</b>	<b>Governmental Activities</b>
<b>Revenues</b>			
Taxes	\$ 982,381	\$ -	\$ 982,381
Investment income (loss)	(43,133)	-	(43,133)
Total revenues	<u>939,248</u>	<u>-</u>	<u>939,248</u>
<b>Expenditures / expenses</b>			
Current:			
Community development	757,958		757,958
Capital outlay	578,124	-	578,124
Depreciation	-	12,522	12,522
Total expenditures / expenses	<u>1,336,082</u>	<u>12,522</u>	<u>1,348,604</u>
<b>Excess (deficiency) of revenues over expenditures / operating income (loss)</b>	<u>(396,834)</u>	<u>(12,522)</u>	<u>(409,356)</u>
<b>Other financing sources (uses)</b>			
Transfers in from primary government	351,509	-	351,509
Transfers out to primary government	(135,462)	-	(135,462)
Total other financing sources (uses)	<u>216,047</u>	<u>-</u>	<u>216,047</u>
<b>Net change in fund balance / net position</b>	<u>(180,787)</u>	<u>(12,522)</u>	<u>(193,309)</u>
<b>Fund balance / net position, beginning of year</b>	1,363,138	523,017	1,886,155
<b>Fund balance / net position, end of year</b>	<u>\$ 1,182,351</u>	<u>\$ 510,495</u>	<u>\$ 1,692,846</u>

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

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

The financial statements of the Titusville 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 Titusville Community Redevelopment Agency was created by Ordinance 66-1982 of the City of Titusville, Florida (City) per Chapter 163 Part III of the Florida Statutes. Pursuant to Florida Statute 163.387, the Community Redevelopment Agency has 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 substantially the same (the City Council plus two additional appointed members), 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.

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

(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, 2022, 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 owns limited capital assets. The majority of 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. Capital assets owned by the CRA, which land and buildings, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, but charged to operating expense as incurred. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30 years

(i) **Long-term obligations**—The CRA does not have any legal indebtedness. Any use of funds for debt service 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.

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

(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.

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.

(l) 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.

(m) **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.

(n) **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.

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(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. A detailed explanation of these differences is as follows: capital assets used in governmental activities are not financial resources and, therefore, not reported in the governmental funds.

(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. A detailed explanation of these differences is as follows: governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

(3) **Deposits and Investments:**

The CRA is subject to the investment policy of the primary government and maintains interest-bearing banking accounts for substantially all CRA funds. 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, 2022, 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, 2022, the CRA's deposits and investments were not subject to any substantial interest rate, credit, or concentration risks.



**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

**(4) Capital Assets:**

Capital asset activity for the fiscal year ended September 30, 2022, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated –				
Land	\$ 200,000	\$ -	\$ -	\$ 200,000
Total capital assets, not being depreciated	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Capital assets, being depreciated –				
Buildings and improvements	376,710	-	-	376,710
Less accumulated depreciation for–				
Buildings and improvements	<u>(53,693)</u>	<u>(12,522)</u>	<u>-</u>	<u>(66,215)</u>
Total capital assets, being depreciated, net	<u>323,017</u>	<u>(12,522)</u>	<u>-</u>	<u>310,495</u>
Governmental activities capital assets, net	<u>\$ 523,017</u>	<u>\$ (12,522)</u>	<u>\$ -</u>	<u>\$ 510,495</u>

Depreciation expense of \$12,522 was charged to the community development function.

**(5) Commitments and Contingencies:**

The CRA is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2022. 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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Taxes	\$ 982,412	\$ 982,412	\$ 982,381	\$ (31)
Investment income (loss)	-	-	(43,133)	(43,133)
Total revenues	<u>982,412</u>	<u>982,412</u>	<u>939,248</u>	<u>(43,164)</u>
<b>Expenditures</b>				
Current:				
Community Development	407,076	796,076	757,958	38,118
Capital outlay	475,874	1,766,498	578,124	1,188,374
Total expenditures	<u>882,950</u>	<u>2,562,574</u>	<u>1,336,082</u>	<u>1,226,492</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>99,462</u>	<u>(1,580,162)</u>	<u>(396,834)</u>	<u>1,183,328</u>
<b>Other financing sources (uses)</b>				
Transfers in from primary government	-	340,000	351,509	11,509
Transfers out to primary government	(135,462)	(135,462)	(135,462)	-
Total other financing sources (uses)	<u>(135,462)</u>	<u>204,538</u>	<u>216,047</u>	<u>11,509</u>
<b>Net change in fund balances</b>	<u>(36,000)</u>	<u>(1,375,624)</u>	<u>(180,787)</u>	<u>1,194,837</u>
<b>Fund balances, beginning of year</b>	1,363,138	1,363,138	1,363,138	-
<b>Fund balances, end of year</b>	<u>\$ 1,327,138</u>	<u>\$ (12,486)</u>	<u>\$ 1,182,351</u>	<u>\$ 1,194,837</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,  
Titusville 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 Titusville Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements and have issued our report thereon dated March 20, 2023.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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.

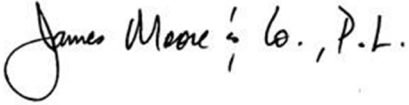
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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 may exist that have not been identified.

***Report on Compliance and Other Matters***

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

## **Purpose of this Report**

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

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'.

Daytona Beach, Florida  
March 20, 2023



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

To the Governing Board,  
Titusville Community Redevelopment Agency:

**Report on the Financial Statements**

We have audited the basic financial statements of the Titusville Community Redevelopment Agency (the CRA), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 20, 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 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 March 20, 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 annual financial audit report. There were no findings and recommendations identified in the prior year audit.

**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 did not have such recommendations.

### **Special District Component Units**

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes. 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 – Titusville Community Redevelopment Agency**

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: 2 (City employees dedicated to CRA functions).
- 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: \$111,003 paid to City to reimburse for City employee services provided.
- 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. Stormwater Cured In-place Pipe Lining \$130,000
  - b. Street Resurfacing \$185,385
  - c. Two Cantilevered Shade Structures at Marina Park (\$65,111)

- 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: the district's original budget totaled \$1,018,412 and was amended by the total amount of \$1,679,624, for final budgeted expenditures of \$2,698,036.

### **Additional Matters**

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

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and 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  
March 20, 2023

*James Moore & Co., P.L.*





## INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Governing Board,  
Titusville Community Redevelopment Agency:

We have examined the Titusville 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, 2022. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluation the CRA's policies against the statutes, to determine the CRA's compliance and performing other procedures to obtain sufficient appropriate audit evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with attestation standards for a direct examination established by the American Institute of Certified Public Accountants. Those standards require that we obtain reasonable assurance by evaluating the CRA's policies against the Statutes, and performing procedures to obtain sufficient appropriate evidence to express an opinion that conveys the result of our measurement or evaluation of the CRA's compliance for the year ended September 30, 2022. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, 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 CRA, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, the CRA complied with the aforementioned requirements for the year ended September 30, 2022, in all material respects.

Daytona Beach, Florida  
March 20, 2023

A handwritten signature in black ink that reads "James Moore &amp; Co., P.L." The signature is written in a cursive, professional style.



March 20, 2023

To the Governing Board,  
Titusville Community Redevelopment Agency:

We have audited the financial statements of the Titusville Community Redevelopment Agency (the CRA) as of and for the year ended September 30, 2022, and have issued our report thereon dated March 20, 2023. 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 February 7, 2023, 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, and our network of firms have 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 sensitive accounting estimates affecting 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 significant unusual transactions identified during our audit. We noted no such transactions.

### **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. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. 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 March 20, 2023.

### **Management's Consultations with Other Accountants**

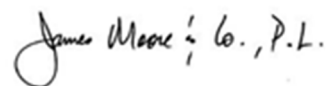
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **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, significant events or transactions that occurred during the year, 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 Titusville, 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.



March 20, 2023

To the Governing Board,  
Titusville Community Redevelopment Agency:

We have audited the financial statements of the Titusville Community Redevelopment Agency (the CRA) as of and for the year ended September 30, 2022, and have issued our report thereon dated March 20, 2023. 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 February 7, 2023, 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, and our network of firms have 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 sensitive accounting estimates affecting 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 significant unusual transactions identified during our audit. We noted no such transactions.

### **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. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. 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 March 20, 2023.

### **Management's Consultations with Other Accountants**

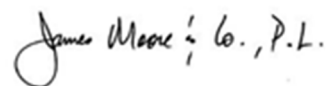
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **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, significant events or transactions that occurred during the year, 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 Titusville, 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.