Downtown Tarpon Springs Community Redevelopment Agency

(A Component Unit of the City of Tarpon Springs, Florida)

Financial Statements

Fiscal Year Ended September 30, 2024

Downtown Tarpon Springs Community Redevelopment Agency

(A Component Unit of the City of Tarpon Springs, Florida)

FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2024

MAYOR AND BOARD OF COMMISSIONERS

Panagiotis Koulias, Mayor

John Koulianos, Vice-Mayor

Michael Eisner, Commissioner

Frank DiDonato, Commissioner

David Banther, Commissioner

ADMINISTRATION

Charles Rudd, City Manager

Ron Harring, Finance Director

Irene S. Jacobs, City Clerk

Andrew Salzman, City Attorney

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY

(A Component Unit of the City of Tarpon Springs, Florida)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditor's Report 1

Management's Discussion and Analysis 4

Basic Financial Statements

Government-Wide Financial Statements:

Statement of Net Position 11

Statement of Activities 12

Fund Financial Statements:

Balance Sheet - Governmental Funds 13

Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds 14

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 15

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 16

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual 17

Notes to the Financial Statements 18

REPORTS OF INDEPENDENT AUDITORS

Regulatory Section:

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 32

Schedule of Findings and Responses 34

Independent Auditor's Management Letter 35

Independent Accountant's Report 38

FINANCIAL SECTION

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

MAULDIN & JENKINS

CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board Members and Executive Director
Downtown Tarpon Springs Community Redevelopment Agency
Tarpon Springs, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of the Downtown Tarpon Springs Community Redevelopment Agency (the "CRA") (a component unit of the City of Tarpon Springs, Florida), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the CRA, as of September 30, 2024, and the respective changes in financial position and budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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

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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 on pages 4 through 10, 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 25, 2025, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CRA's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 25, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by $5,096,498 (net position). Of this amount, $1,859,559 (restricted net position) may be used for CRA approved expenditures. The CRA's total net position increased by $650,097.

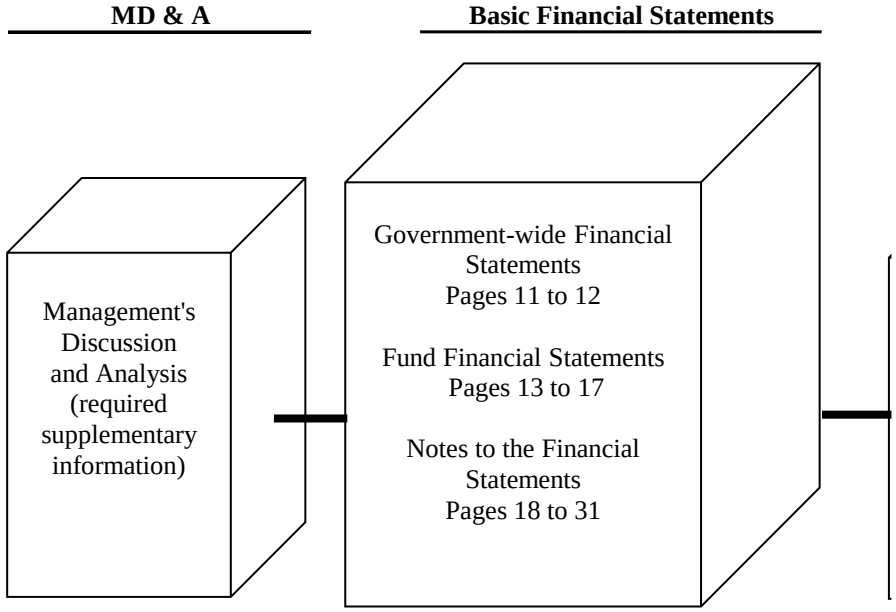
- As of the close of the current fiscal year, the CRA's governmental fund reported combined ending fund balance of 1,859,559, an increase of $706,379 in comparison with the prior year. The portion of this total amount, $1,859,559, is restricted for spending on CRA approved expenditures (restricted fund balance).

- At the end of the current fiscal year, restricted fund balance for the CRA fund was $1,847,559, or 638% of the total CRA fund expenditures.

- The CRA has a lease liability of $234,172 as of September 30, 2024.

USING THIS ANNUAL REPORT

The following graphic provides information and location on the Basic Financial Statements and the Required Supplementary Information.



OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

The Government-wide Statements are designed to provide readers with a broad overview of the CRA's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the CRA that are principally supported by taxes and inter-governmental revenues (governmental activities) The Governmental Activities reflects the CRA's economic environment services. Property taxes finance the majority of these services.

The government-wide financial statements can be found on pages 11 to 12 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The CRA is classified as a governmental fund.

Governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The CRA maintains one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the CRA fund.

The CRA adopts an annual appropriated budget for its CRA fund. A budgetary comparison statement has been provided for the CRA fund.

The basic governmental fund financial statements can be found on pages 13 to 17 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 to 31 of this report.

GOVERNMENT-WIDE FINANCIAL STATEMENT ANALYSIS

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets exceeded liabilities by $5,096,498 at the close of fiscal year September 30, 2024.

By far the largest portion of the CRA's net position (64%) reflects its net investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The CRA uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the CRA's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The CRA does not have any outstanding debt.

The following table reflects the condensed Statement of Net Position compared to the prior fiscal year.

Statement of Net Position
as of September 30

	Governmental Activities	
	2024	2023
Assets		
Current and other assets	$ 1,868,522	$ 1,254,734
Capital assets	3,471,111	3,556,695
Total assets	5,339,633	4,811,429
Liabilities		
Current and other liabilities	8,963	101,554
Long-term debt outstanding:		
Due within one year	30,086	29,302
Due in more than one year	204,086	234,172
Total liabilities	243,135	365,028
Net Position		
Net investment in capital assets	3,236,939	3,293,221
Restricted	1,859,559	1,153,180
Total net position	$ 5,096,498	$ 4,446,401

An additional portion of the CRA's net position (36%) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the CRA is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year. Total government net position increased by $650,097 during the current fiscal year.

For more detailed information see the Statement of Net Position (page 11).

Statement of Activities

The following schedule compares the revenues and expenses for the current and previous fiscal year.

Changes in Net Position

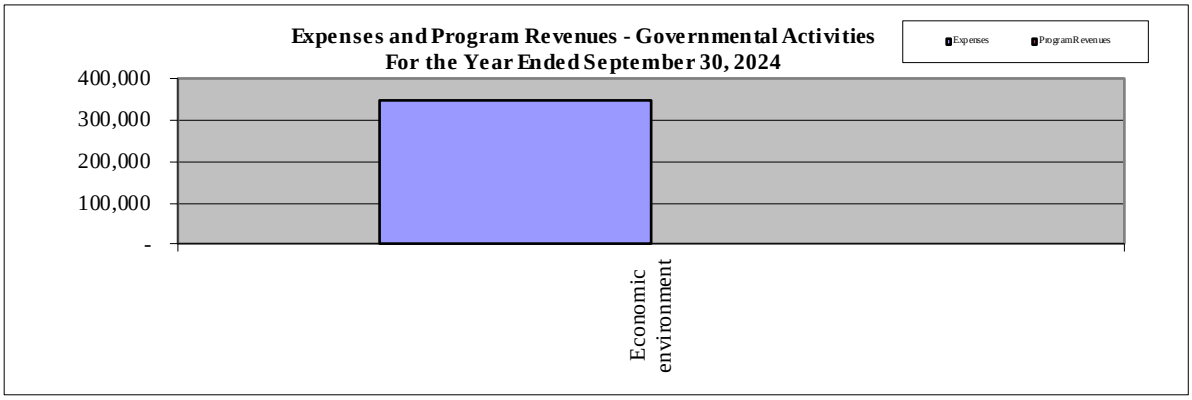
	Governmental Activities	
	2024	2023
REVENUES		
Program Revenues:		
Operating grants and contributions	$ -	$ -
General revenues:		
Property taxes	466,581	398,147
Property taxes-TIF County portion	418,249	357,509
Investment income	111,351	62,144
Total revenues	996,181	817,800
EXPENSES		
Program Activities:		
Governmental Activities:		
Economic environment	337,372	384,757
Interest on long-term debt	8,712	8,367
Total expenses	346,084	393,124
Change in Net Position	650,097	424,676
Net Position - Beginning of year	4,446,401	4,021,725
Net Position - End of year	$ 5,096,498	$ 4,446,401

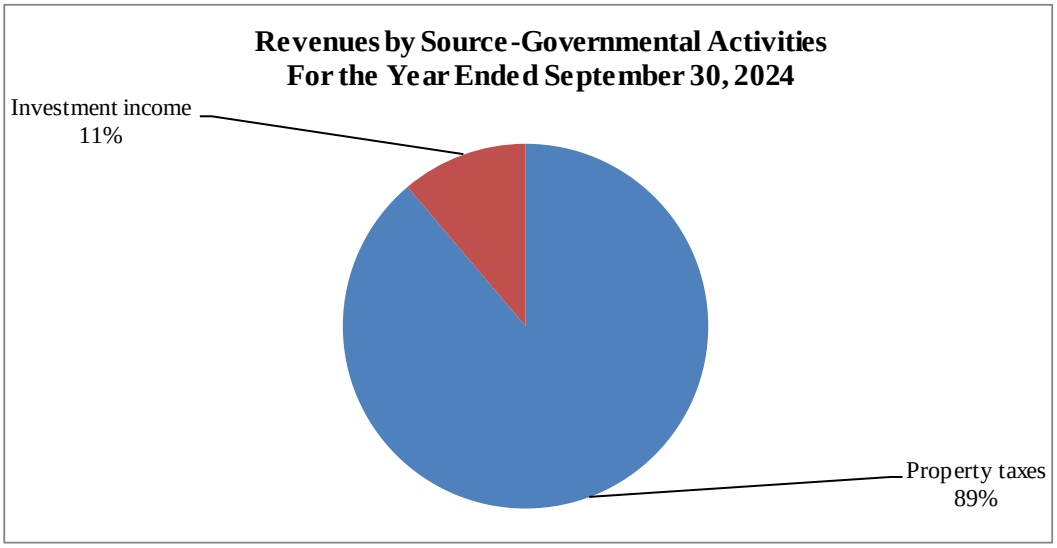
Governmental activities.

Governmental activities increased the CRA's net position by $650,097. The change in net position increased in comparison to the change noted in the previous fiscal year. Key elements of this change are as follows:

Total Governmental activity revenues increased $178,381 in comparison to the previous year. The major increases were Property tax receipts CRA portion $68,434, County portion $60,740 and interest earnings $49,207.

Total Governmental activity expenses decreased $47,040 in comparison to the previous year. The majority of this decrease was due to operating expenditures.





FUND FINANCIAL STATEMENT ANALYSIS

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

Governmental Funds.

The focus of the CRA's governmental fund 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, restricted 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 governmental fund reported combined ending fund balances of $1,859,559, an increase of $706,379 in comparison with the prior year. The majority of this total amount ($1,847,559) is restricted for CRA purposes.

The fund balance of the CRA Fund increased by $706,379 during the current fiscal year. Key factors in this change are as follows:

- Revenues were $996,181 an increase of $178,381 over the previous fiscal year due to property tax values increasing. Property Tax receipts (CRA portion) increased $68,434 and Tax Increment Financing receipts (County portion) increased $60,740.

- Expenditures were $289,802, a decrease of $23,398 under the previous fiscal year.

CRA FUND BUDGETARY HIGHLIGHTS

The differences between the original budget and the final amended budget for appropriations (expenditures) in the CRA Fund was an increase of $322,633 the majority of which was Capital Outlay budgeted but not expensed as of fiscal year end.

The differences between the final amended budget for appropriations (expenditures) and actual expenditures in the CRA Fund was a positive variance of $923,261. Significant changes between the final amended budget for expenditures and the actual expenditures in the CRA Fund involved:

- A positive variance of $832,311 in Capital Outlay due to items budgeted but not expensed as of fiscal year end.

Funding for the projects was from current revenues and the available fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The CRA's investment in capital assets for its governmental as of September 30, 2024, amounts to $3,471,111 (net of accumulated depreciation). This investment in capital assets includes land and land rights, buildings, improvements, machinery and equipment, infrastructure and lease assets. The total decrease in the CRA's investment in capital assets for the current fiscal year was -2.41% ($85,584).

There were no major capital asset events completed during the current fiscal year.

Capital Assets at Year-End
Net of Depreciation

	Governmental Activities	
	2024	2023
Land and land rights	$ 1,687,024	$ 1,687,024
Buildings and improvements	59,459	62,622
Improvements other than buildings	218,528	169,878
Infrastructure	1,271,948	1,347,485
Lease assets	226,785	258,423
Construction in progress	7,367	31,263
Total	$ 3,471,111	$ 3,556,695

The following reconciliation summarizes the change in capital assets, which is presented in detail in Note III-B on Pages 29 of the notes.

Change in Capital Assets

	Governmental Activities
Beginning Balance	$ 3,556,695
Additions	78,464
Construction in progress	(23,896)
Depreciation/Amortization	(140,152)
Ending Balance	$ 3,471,111

Long-Term Debt

At the end of the current fiscal year, the CRA had total outstanding of $234,172 which comprises lease liabilities.

Outstanding Debt at Year-End

	Governmental Activities	
	2024	2023
Lease Liability	$ 234,172	$ 263,474
Total	$ 234,172	$ 263,474

ECONOMIC FACTORS

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely on property and a limited array of permitted other taxes (sales, gasoline, utility services, etc.) and fees (franchise, permits, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and nonrecurring (one-time) grants from the State of Florida, federal government and other grantor agencies.

The CRA is dependent on property taxes from both the City and the County (TIF). The taxable value within the CRA went up 11.26% for FY 2024.

FINANCIAL CONTACT

The CRA's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the CRA's finances and to demonstrate the CRA's accountability. If you have questions about the report or need additional information, contact the City Finance Director or Assistant Finance Director, offices located on the Second Floor of City Hall, 324 East Pine Street, Tarpon Springs, Florida, 34689.

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

		Governmental Activities
ASSETS		
Cash and cash equivalents	$	868,915
Investments		984,785
Receivables (net of allowance)		2,822
Prepaid items		12,000
Capital Assets:		
Land and land rights		1,687,024
Buildings and improvements		94,902
Improvements other than buildings		490,196
Machinery and equipment		15,871
Infrastructure		2,266,104
Construction in progress		7,367
Accumulated depreciation		(1,317,138)
Right To Use Lease Assets:		
Leases		309,656
Accumulated amortization leases		(82,871)
Total Assets		5,339,633
LIABILITIES		
Accounts payable		6,141
Unearned revenue		2,822
Non Current Liabilities:		
Due Within One Year:		
Lease liability		30,086
Due In More Than One Year:		
Lease liability		204,086
Total Liabilities		243,135
NET POSITION		
Net investment in capital assets		3,236,939
Restricted for :		
Community Redevelopment		1,859,559
Total Net Position	$	5,096,498

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

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Function/Program Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
Economic environment	$ 337,372	$ -	$ -	$ -	$ (337,372)
Interest on long-term debt	8,712	-	-	-	(8,712)
Total governmental activities	346,084	-	-	-	(346,084)

General Revenues:	
Taxes:	
Property taxes	466,581
Property taxes -Tax Increment Financing (TIF) - County portion	418,249
Investment income	111,351
Total General Revenues	996,181
Change in Net Position	650,097
Net Position - Beginning	4,446,401
Net Position - Ending	$ 5,096,498

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

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

ASSETS		
Cash and cash equivalents	$	868,915
Investments		984,785
Accrued interest receivable		2,822
Prepaid items		12,000
Total Assets	$	1,868,522
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	$	6,141
Unearned revenue		2,822
Total Liabilities		8,963
Fund Balances:		
Nonspendable - prepaid items		12,000
Restricted - CRA		1,847,559
Total Fund Balances		1,859,559
Total Liabilities and Fund Balances	$	1,868,522

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

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

Fund balances - total governmental funds		$ 1,859,559
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	$ 4,561,464	
Less accumulated depreciation	(1,317,138)	3,244,326
Lease assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental lease assets	309,656	
Less accumulated amortization	(82,871)	226,785
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Leases payable		(234,172)
Net position of governmental activities.		$ 5,096,498

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

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Revenues:		
Taxes	$	466,581
Intergovernmental		418,249
Other		111,351
Total Revenues		996,181
Expenditures:		
Current:		
Economic Environment:		
Other		197,220
		197,220
Capital Outlay		54,568
Debt Service		38,014
Total Expenditures		289,802
Excess of Revenues Over Expenditures		706,379
Net Change in Fund Balances		706,379
Fund Balances - Beginning of Year		1,153,180
Fund Balances - End of Year	$	1,859,559

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

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Net change in fund balances - total governmental funds		$ 706,379
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	$ 54,568	
Less current year depreciation	(108,514)	(53,946)
Governmental funds report lease outlays as expenditures. However, in the statement of activities, the cost of those lease assets is amortized over their estimated useful lives.		
Less current year amortization	(31,638)	(31,638)
Repayment of long term debt principal is an expenditure in the governmental funds, however the repayment reduces long-term liabilities in the statement of net position. Current year amounts are:		
Lease principal payments		29,302
Change in net position of governmental activities.		$ 650,097

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

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues:				
Taxes	$ 467,083	$ 467,083	$ 466,581	$ (502)
Intergovernmental	419,369	419,369	418,249	(1,120)
Other	3,978	3,978	111,351	107,373
Total Revenues	890,430	890,430	996,181	105,751
Expenditures:				
Current:				
Economic Environment:				
Other	326,184	326,184	197,220	128,964
Capital Outlay	564,246	886,879	54,568	832,311
Debt Service	-	-	38,014	(38,014)
Total Expenditures	890,430	1,213,063	289,802	923,261
Net Change in Fund Balances	-	(322,633)	706,379	1,029,012
Fund Balances - Beginning of Year	1,153,180	1,153,180	1,153,180	-
Fund Balances - End of Year	$ 1,153,180	$ 830,547	$ 1,859,559	$ 1,029,012

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

Note I - Summary of Significant Accounting Policies

The financial statements of the Downtown Tarpon Springs Community Redevelopment Agency (CRA) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the CRA's accounting policies are described below:

A. The Financial Reporting Entity

The CRA, created by statutory authority of Florida Statute Chapter 163, Part III, was created and is governed by the City of Tarpon Springs Ordinance 2001-24, although it is legally separate, the CRA is also reported as if it was part of the City (blended component unit) due to the City Commission serving as the governing board of the CRA, there is also a financial benefit or burden relationship between the City and the CRA. All revenues of the CRA are used in the Downtown Tarpon Springs Community Redevelopment Area (the District) to fund capital improvements within the district. The operations of the CRA have also been incorporated into the City's annual comprehensive financial report as a major governmental fund.

B. Basic Financial Statements

The CRA's Basic Financial Statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

1. Government-wide financial statements. The government-wide financial statements report information on all of the non-fiduciary activities using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents information on all of the assets and liabilities of the CRA. The difference between assets and liabilities is reported as net position. Changes in net position may serve as an indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a

particular function or segment. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Taxes and other items not properly included among program revenues are reported instead as general revenues. All revenues and expenses are reported as soon as the underlying transaction has occurred, regardless of when cash is received or paid.

2. Fund financial statements. Separate financial statements are provided for the governmental funds. The fund financial statements are, in substance, very similar to the financial statements presented in the previous financial reporting model.

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 full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are an exception, as they are considered available when eligible expenditures have occurred even though they may be collected for up to one year after the current fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded when the liability has matured, with the exception of interest and principal which are recognized as expenditures when funds are transferred to the debt service fund to make payments due shortly after the fiscal year end. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes and certain other tax revenues 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. Certain interest accrued is being recognized as unavailable revenue in the fund statement. All other revenue items are considered to be measurable and available only when cash is received by the CRA.

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

The preparation of the basic financial statements in conformity with U. S. generally accepted accounting principles requires management to make use of estimates that affect reported amounts in the basic financial statements. Actual results could differ from estimates.

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Cash and Investments:

The CRA is part of the City wide consolidated cash pool used to account for cash and investments of all CRA funds other than those which are required by ordinance to be physically segregated. The City wide cash pool utilizes a single checking account for all CRA receipts and disbursements with a separate checking account for payroll disbursements.

The CRA utilizes a very conservative investment philosophy when it invests its cash funds in that the return of the principal is more important than the return on the principal. The CRA does not actively trade its portfolio and generally holds investments until maturity. Through the use of a laddered approach to maturities and by timing maturities to cash needs, the CRA does not anticipate the need to sell investments to meet cash flow requirements.

Under the current investment policy (City wide), consolidated cash pool investments are limited to the following: time deposits and savings accounts of authorized financial institutions, Money Market Funds, United States Government Securities, Non-Negotiable Certificates of Deposit, Non-Taxable Governmental Bonds, Florida State Board of Administration Investment Pool (name changed to "Florida Prime") and the Florida Municipal Investment Trust Fund.

Capital Assets:

Capital assets, which include property, plant, equipment, intangibles and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of $5,000 and more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred and are not capitalized. Depreciation

on all assets is provided on the straight-line basis over the following estimated useful lives:

	YEARS
Buildings and Improvements	20-30
Improvements Other Than Buildings	15-30
Machinery and Equipment	5-10
Intangibles-Software Purchases	5-10
Right-to-use Leased Parking Lots	5-10
Infrastructure	30

Interest cost is not capitalized on projects financed by government grants, third party donations or on assets in the governmental funds.

Deferred Outflows of Resources:

Deferred Outflows of Resources – represent a consumption of net assets by the government that applies to future periods.

The City had no Deferred Outflows of Resources for FY 2024.

Deferred Inflows of Resources:

Deferred Inflows of Resources – is an acquisition of net assets by the government that is applicable to a future reporting period.

The City had no Deferred Inflows of Resources for FY 2024.

Net Position:

The government-wide financial statements utilize a net position presentation. Net position is presented in three components – net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction, or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.

Restricted – This component consists of net position that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.

The government-wide statement of net position reports $1,859,559 of restricted net position, of which $1,859,559 is restricted by enabling legislation.

Unrestricted – This component consists of net position that does not meet the definition of "net investment in capital assets" and "restricted".

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

Fund Balance:

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints on the specific purpose for which amounts can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

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

Restricted – This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the CRA to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the CRA's highest level of decision making authority which includes ordinances and resolutions that are both equally binding. Those committed amounts cannot be used for any other purpose unless the CRA removes or changes the specified use by taking the same type of action (ordinance and resolution) it employed previously to commit those amounts.

Assigned – This component consists of amounts that are constrained by the CRA's intent to be used for specific purposes, but are neither restricted nor committed. Assignments are made by CRA management based on Commission direction.

Unassigned – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the CRA fund.

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

E. Recently Issued and Implemented Accounting Pronouncements

The following Government Accounting Standards were effective in fiscal year 2024.

GASB 99 – *Omnibus 2022*. This standard is effective for fiscal year end September 30, 2024. The objective of this statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This standard did not impact the CRA's financial statements.

GASB 100 – *Accounting Changes and Error Corrections-an Amendment of GASB Statement No. 62*. This standard is effective for fiscal year end September 30, 2024. The objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This standard did not impact the CRA's financial statements.

Note II - Stewardship, Compliance and Accountability

A. Budgetary information

Annual appropriated budgets are adopted for the CRA Fund. All annual appropriations lapse at fiscal year-end. Supplemental budgetary appropriations were necessary during fiscal 2024, but had immaterial financial statement impact.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year end are reported as restricted, committed or assigned fund balances and do not constitute expenditures or liabilities because they will be re-appropriated and honored during the subsequent year.

In accordance with state law, the CRA follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the Board of Commissioners a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayer comments.

3. The budget is approved by the Commission through the passage of a resolution.

4. All budget amendments must be approved by the Commission. The City Manager is authorized to transfer budgeted amounts within the CRA fund. During fiscal 2024, periodic amendments were made to the approved budget.

5. Budgets for the Governmental Funds are adopted on a basis consistent with generally accepted accounting principles.

6. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.

The assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Pinellas County Property Appraiser and Pinellas County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit CRA's to levy property taxes at a rate of up to ten mills. The millage rate in effect for the fiscal year ended September 30, 2024 was 5.3700.

The tax levy of the CRA is established by the Board of Commissioners prior to October 1 of each year and the Pinellas County Property Appraiser incorporates the millage into the total tax levy, which includes the municipalities, independent districts, County, and the School Board tax requirements.

All property is reassessed according to its fair value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the roll meets all of the appropriate requirements of state statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they were assessed, and at such time a lien on the property is recorded. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March or after are without discount.

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property.

Application for a tax deed on any unredeemed tax certificates may be made by the certificate holders after a period of two years. Unsold certificates are held by the County. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

The CRA does not accrue its portion of the County-held certificates due to the immateriality of the amount.

Excess of Expenditures Over Appropriations

Community Redevelopment Agency Fund – Downtown had Debt Service expenditures over budget in the amount of $38,014. This is due to the required recognition of Government Accounting Standards Board (GASB) 87 on Leases.

Note III - Detailed Notes on all Funds

A. Deposits and Investments

Deposits:

All cash of the CRA is entirely insured either by federal depository insurance corporation (FDIC) or via banks' participation as qualified public depositories pursuant to Florida Statutes, Chapter 280, "Security for Public Deposits". The CRA is required to verify that monies are invested in "qualified public depositories" as defined in Florida Statutes section 280.02. Florida Statutes require depositories of public funds to provide collateral each month at least equal to 50 percent of the average daily balance of all public deposits in excess of deposit insurance. At year-end, the carrying amount of the CRA's deposits that were insured through the "FDIC" or as "Qualified Public Deposits" was $484,154 in the Checking account. Additional deposits include the Local Government Surplus Funds Trust Fund (Prime Fund) in the amount of $384,761.

Investments:

At year-end, there were no CRA's investments that were insured through the "FDIC" or as "Qualified Public Deposits".

Cash and Investments:

Investment Policy – Authorized Investments: Florida Statutes (218.415) authorize municipalities to invest excess funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the U.S. Government, U.S. Government Instrumentalities, Local Government Surplus Funds Trust Fund (name changed to "Florida Prime") and mutual funds investing in U.S. Government securities. The City

(inclusive of CRA) adopted its own investment policy that also authorizes the CRA to invest in the following: a) obligations of government-sponsored corporations (Instrumentalities – which are usually "AAA" rated but have no explicit government guarantee) which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve; b) commercial paper having received an "A1/P1" or higher rating by a nationally recognized rating agency; c) non-negotiable certificates of deposit and bank investment contracts (BIC), which can be insured, collateralized at the Federal Reserve or qualify as State qualified public deposits as defined by Florida statutes; d) taxable or tax-exempt government bonds, notes or other obligations of state or local governments, including municipal corporations and special districts, of investment grade quality; e) Florida Municipal Investment Trust Funds (FMIVT) and f) any other investments authorized by law and by resolution of the City Commission.

Over the years, the CRA has held to a conservative investment philosophy with the idea that the return of the investment principal is more important than the return on the principal. We believe that a conservative investment philosophy best serves the residents of Tarpon Springs. Given this strategy, the basis to determine whether market yields are being achieved shall be the average investment return as stated by the Florida Prime, formerly the SBA, for each fiscal year ending September 30. The average investment return as stated by the Florida Prime for fiscal year ending September 30, 2024 is 5.52%. During Fiscal Year 2024, the average cash/investment balance was $1,548,905 and the total annual earnings net of all bank charges was $111,351 giving an average rate of return of 7.19% on the average balance.

Additional information regarding the Local Government Surplus Funds Trust Fund (Prime Fund) may be obtained from the State Board of Administration.

The Florida Municipal Investment Trust Fund (FMIVT) is an external investment pool administrated by the Florida League of Cities, Inc. It is an interlocal governmental entity created under the laws of the State of Florida. The FMIVT is an authorized investment under section 163.01 of the Florida Statutes. The fair value of the positions in the FMIVT portfolios is the same as the value of the portfolio shares.

The CRA follows Government Accounting Standards Board (GASB) Statement No. 53 "Accounting and Financial Reporting for Derivative Instruments". The City of Tarpon Springs does not invest in derivative instruments.

The CRA follows Government Accounting Standards Board (GASB) Statement No. 72 "Fair Value Measurement and Application". GASB 72 establishes a three-tier fair value hierarchy to certain investments as mentioned below:

Level 1 Inputs – directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are derived from or corroborated by the observable market data through correlation or by other means.

Level 3 Inputs – unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable.

Investments are held by the CRA's/Funds' custodians, trust companies having trust powers in the State of Florida. Investments in the Fund are reported at fair value. Level 2 hierarchy market values were determined by the custodians using a market approach, and matrix pricing techniques. Investment transactions are recognized on the trade date.

At year-end, the CRA's cash and investment balances were as follows:

Cash and Cash Equivalents and Investments	Maturity/ WAM	Fair Value	Rating	Rating Agency	Hierarchy Level
Cash and Cash Equivalents:					
Deposits with Banks -					
Chase Bank - Checking Accounts					
Operating Funds		484,154			
		484,154			
State Board of Administration (Florida Prime)					
Plan A	35 days	384,761	AAAm	S & P	n/a
Total State Board of Administration (Florida Prime)		384,761			
Total Cash and Cash Equivalents		868,915			
Investments:					
Treasury Bill	3/31/2025	490,551	AA+	S & P	1
Treasury Bill	8/31/2025	494,234	AA+	S & P	1
Total Investments		984,785			
Total Pooled Cash and Investments		$ 1,853,700			

Cash and investments as of September 30, 2024 are classified in the accompanying financial statements as follows:

Statement of Net Position	9/30/2024
Cash and cash equivalents	$ 868,915
Investments	984,785
Total Pooled Cash and Investments	$ 1,853,700

Interest Rate Risk:

In compliance with the City's Investment Policy which includes the CRA, as of September 30, 2024, the City minimized the interest rate risk by limiting the effective duration of security types not to exceed five years with the exception of securities related to a specific cash flow such as a reserve fund and investing operating funds in primarily shorter-term securities or similar government investment pools so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the secondary market prior to maturity.

Credit Risk:

In compliance with the City's Investment Policy which includes the CRA, as of September 30, 2024, the City minimized credit risk losses due to default of a security issuer or backer, by limiting investments to the safest types of securities, U. S. Government Agency securities and government investment pools, and by pre-qualifying the financial institutions with which the City does business.

B. Capital Assets

Capital asset activity for the year ended September 30, 2024 was as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land and land rights	$ 1,687,024	$ -	$ -	$ 1,687,024
Construction in progress	31,263	-	(23,896)	7,367
Total capital assets, not being depreciated	1,718,287	-	(23,896)	1,694,391
Capital assets, being depreciated:				
Buildings	94,902	-	-	94,902
Improvements other than buildings	411,732	78,464	-	490,196
Machinery and equipment	15,871	-	-	15,871
Infrastructure	2,266,104	-	-	2,266,104
Total capital assets, being depreciated	2,788,609	78,464	-	2,867,073
less accumulated depreciation for:				
Buildings	(32,280)	(3,163)	-	(35,443)
Improvements other than buildings	(241,854)	(29,814)	-	(271,668)
Machinery and equipment	(15,871)	-	-	(15,871)
Infrastructure	(918,619)	(75,537)	-	(994,156)
Total accumulated depreciation	(1,208,624)	(108,514)	-	(1,317,138)
Total capital assets, being depreciated, net	1,579,985	(30,050)	-	1,549,935
Governmental activities capital assets, net	$ 3,298,272	$ (30,050)	$ (23,896)	$ 3,244,326
Lease assets, net				226,785
Total capital assets, net as reported in the statement of net position				$ 3,471,111

Governmental activities:	
Economic environment	$ 108,514
Total depreciation expense - governmental activities	$ 108,514

Lease asset activity for the year ended September 30, 2024 was as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Lease assets:				
Property	$ 309,656	$ -	$ -	$ 309,656
Total	309,656	-	-	309,656
less accumulated amortization for:				
Property	(51,233)	(31,638)	-	(82,871)
Total	(51,233)	(31,638)	-	(82,871)
Total lease assets, net	$ 258,423	$ (31,638)	$ -	$ 226,785

The City follows Government Accounting Standards Board (GASB) Statement No. 51 "Accounting and Financial Reporting for Intangible Assets". The CRA implemented GASB 51 and has included software purchases within the category "Improvements other than buildings" and easements are included within "Land and land rights".

C. Leases

Right to use lease asset:

On January 12, 2021 the CRA approved the leasing of an asphalt parking lot located on the western portion of 116 S. Pinellas Avenue. The lease commenced on February 1, 2021 and will terminate on January 31, 2031. During the first year of the lease the CRA will pay $12,000 in monthly installments of $1,000. The lease will increase annually on the anniversary of the lease in the amount of 3%. The CRA paid $12,985 in lease payments in FY 2024.

On January 25, 2022 the CRA approved the leasing of an asphalt parking lot located on the southside of Court Street. The lease commenced on February 1, 2022 and will terminate on January 31, 2032. During the first year of the lease the CRA will pay $12,000 in monthly installments of $1,000. The lease will increase annually on the anniversary of the lease in the amount of 3%. The CRA paid $12,607 in lease payments in FY 2024.

On July 8, 2022 the CRA approved the leasing of an asphalt parking lot located at the southwest corner of Hibiscus and Orange streets. The lease commenced on August 1, 2022 and will terminate on July 31, 2032. During the first year of the lease the CRA will pay $12,000 in monthly installments of $1,000. The lease will increase annually on the anniversary of the lease in the amount of 3%. The CRA paid $12,422 in lease payments in FY 2024.

Annual lease service requirements to maturity for the leases is as follows:

Year Ended September 30 -	Lease assets	
	Principal	Interest
2025	$ 30,086	$ 9,069
2026	30,892	9,437
2027	31,721	9,818
2028	32,574	10,212
2029	33,451	10,619
2030-2032	75,448	34,832
Total	$ 234,172	$ 83,987

Note IV - Other Information

A. Risk Management

The CRA has minimal exposure to various risks of loss, including general liability, personal injury and workers compensation. These are handled within the primary government, the City of Tarpon Springs.

B. Commitments and Contingencies

The City had no outstanding encumbrances at September 30, 2024.

During Fiscal Year 2024 and prior fiscal years, the CRA received revenues and contributions related to grants from the State of Florida and other grantors. These grants are for specific purposes and are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement for expenditures disallowed under the terms of the grants. Based upon prior experience, CRA management believes such disallowances, if any, will not be significant.

The CRA is a defendant in various legal actions which, in the opinion of management, will not have any significant effect on the financial statements of the CRA.

The City as the primary government has experienced revenue reductions and expenditures related to COVID 19 but neither of these has affected the CRA.

REPORTS OF INDEPENDENT AUDITORS

MAULDIN & JENKINS

CPAs & ADVISORS

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

Board Members and Executive Director
Downtown Tarpon Springs Community Redevelopment Agency
Tarpon Springs, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Downtown Tarpon Springs Community Redevelopment Agency (the "CRA"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements and have issued our report thereon dated March 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Report on Compliance and Other Matters

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 25, 2025

DOWNTOWN TARPON SPRINGS COMMUNITY REDEVELOPMENT AGENCY

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting: Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Programs and State Financial Assistance Projects

There was not an audit of major federal award programs or state award programs as of September 30, 2024, due to the total amount expended being less than $750,000.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None.

SECTION III
FEDERAL PROGRAMS FINDINGS AND QUESTIONED COSTS

Not applicable.

SECTION IV
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None.

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Board Members and Executive Director
Downtown Tarpon Springs Community Redevelopment Agency
Tarpon Springs, Florida

Report on the Financial Statements

We have audited the financial statements of the Downtown Tarpon Springs Community Redevelopment Agency (the "CRA"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 25, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 25, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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. This information is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, 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 condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Property Assessed Clean Energy (PACE) Programs

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

Special District Component Units

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

Specific Information

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:

a. The total number of CRA employees compensated in the last pay period of the CRA's fiscal year was 1.85.
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year was zero.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was $99,702.
d. All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was zero.
e. Each construction project with a total cost of at least $65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such projects in fiscal year 2024: None.
f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the CRA amends a final adopted budget under Section 189.016(6), Florida Statutes, as seen on page 17.

Additional Matters

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

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 25, 2025

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT ACCOUNTANT'S REPORT

Board Members and Executive Director
Downtown Tarpon Springs Community Redevelopment Agency
Tarpon Springs, Florida

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

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

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

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

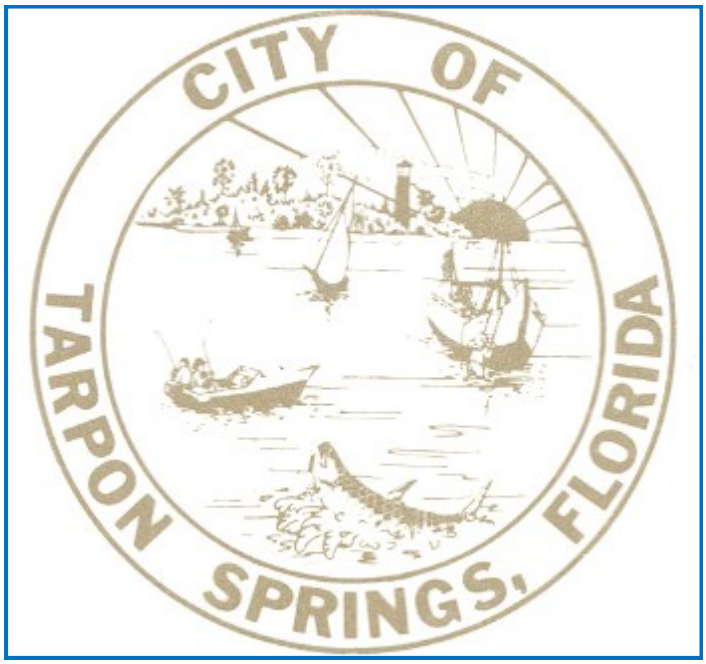
In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 25, 2025

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