Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)



Annual Financial Report

Year Ended September 30, 2024

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CLEARWATER COMMUNITY REDEVELOPMENT AGENCY

(A Component Unit of the City of Clearwater, Florida)

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Bruce Rector
Chair

David Allbritton
Trustee

Ryan Cotton
Trustee

Mike Mannino
Trustee

Lina Teixeira
Trustee

Jesus Niño
CRA Executive Director

PREPARED BY:

CITY OF CLEARWATER FINANCE DEPARTMENT

CLEARWATER COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Clearwater, Florida)

ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2024

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CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
600 Cleveland Street
Suite 1000
Clearwater, FL 33755

727.446.0504
727.461.7348 (fax)
CRIadv.com

INDEPENDENT AUDITOR'S REPORT

To the Honorable Chair and Trustees
Clearwater Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of the Clearwater Community Redevelopment Agency ("Agency") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Clearwater Community Redevelopment Agency, as of September 30, 2024, and the respective changes in financial position and the respective budgetary comparison for the General Fund and North Greenwood CRA 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 Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2025, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

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

CARR, RIGGS & INGRAM, L.L.C.

Clearwater, Florida
April 15, 2025

Management's Discussion and Analysis

As management of the Clearwater Community Redevelopment Agency (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, with comparisons to prior year performance. We encourage readers to consider the information presented here in conjunction with the statements and related notes contained in the Basic Financial Statements.

Financial Highlights

The assets of the Clearwater Community Redevelopment Agency exceeded its liabilities as of September 30, 2024, by $28,435,997 (net position). Of this amount, $6,543,042 is invested in capital assets and $21,892,955 is restricted for community redevelopment activities.

The CRA's total net position increased by $6,847,756 during the fiscal year ended September 30, 2024, versus an increase of $3,810,563 in fiscal 2023. Program expenses increased $1,271,279 from the prior year, program revenues increased $3,996,233 and general revenues increased $312,239, resulting in an increase in the change in net position of $3,037,193. The increase in general revenues is due to an increase in investment earnings of $705,773 resulting from rising interest rates as well as increased market value of the investment portfolio and corresponding unrealized gains, offset by a loss on the sale of property to Archway Clearwater Gardens for the construction of affordable housing in the amount of $393,534.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the Clearwater Community Redevelopment Agency's basic financial statements. The CRA's basic financial statements are comprised of 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 financial statements are designed to provide readers with a broad overview of the Clearwater Community Redevelopment Agency'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 differences 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).

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 Clearwater Community Redevelopment Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. CRA activities are accounted for in a general fund, a special revenue fund and two capital projects 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 funds 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 Clearwater Community Redevelopment Agency adopts an annual appropriated budget for its general fund and special revenue fund. Budgetary comparison statements have been provided for the general fund and special revenue fund to demonstrate compliance with this requirement.

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.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Clearwater Community Redevelopment Agency, assets exceeded liabilities by $28,435,997 at the close of the most recent fiscal year. The following table provides a summary of the CRA's net position:

Clearwater Community Redevelopment Agency
Net Position
September 30, 2023 and 2024

	Governmental Activities	
	2024	2023
ASSETS		
Current and other assets	$ 22,292,564	$ 13,733,301
Capital assets(net)	6,543,042	8,309,481
Total assets	28,835,606	22,042,782
LIABILITIES		
Current and other liabilities	399,609	454,541
Total liabilities	399,609	454,541
NET POSITION		
Net investment in capital assets	6,543,042	8,309,481
Restricted	21,892,955	13,278,760
Total net position	$ 28,435,997	$ 21,588,241

The following table provides a summary of the Clearwater Redevelopment Agency's changes in net position for the years ended September 30, 2024 and 2023:

Clearwater Community Redevelopment Agency
Changes in Net Position
September 30, 2023 and 2024

	Governmental Activities	
	2024	2023
REVENUES		
Program revenues:		
Charges for Services	$ 84,358	$ 81,504
Operating Grants and Contributions	9,442,337	5,448,958
General revenues:		
Investment earnings (loss)	926,216	220,443
Gain (loss) on sale of capital assets	(393,534)	-
Total revenues	10,059,377	5,750,905
EXPENSES		
Governmental activities:		
Economic Environment	3,211,621	1,940,342
Total expenses	3,211,621	1,940,342
Change in net position	6,847,756	3,810,563
Total net position - beginning	21,588,241	17,777,678
Total net position - ending	$ 28,435,997	$ 21,588,241

Governmental Activities

The increase in governmental activities net position in fiscal 2024 totaled $6,847,756 as compared to an increase in net position of $3,810,563 in fiscal 2023. Key elements of this change are as follows:

- Total expenses increased $1,271,279 (65.5%) primarily due an increase of $28 thousand in the payment to the Clearwater Downtown Development Board to return tax increment funding due to increased property values; an increase of $61 thousand in the payment to the City of Clearwater for staffing and administrative services provided by the City to the CRA, an increase of $35 thousand in professional services due to survey and appraisal fees for various sites, and an increase of $1.1 million in contributions to the City of Clearwater for the Cleveland Street project. Depreciation expense of $22,905 was the same as the prior year because the CRA has only one depreciable asset.

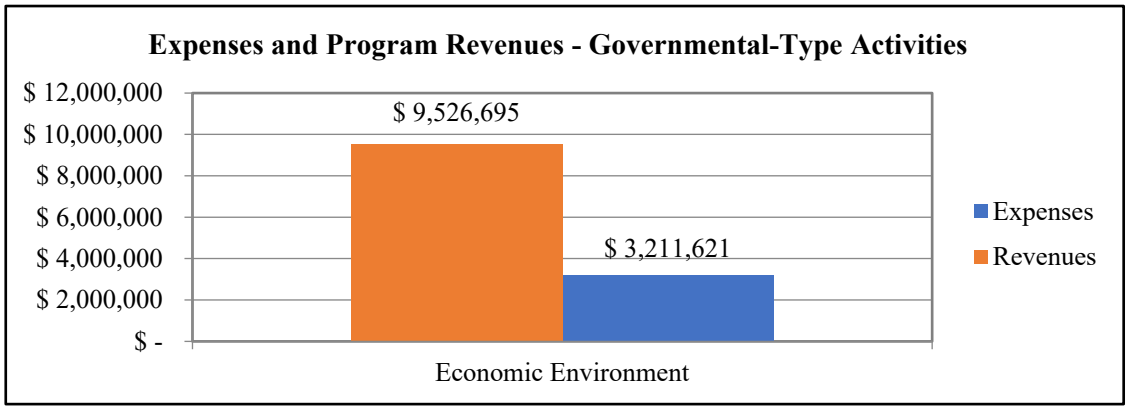
- Total program revenues increased $3,996,233 (72.3%), due to an increase in tax increment revenues in the amount of $642,541 (11.8%) received from Pinellas County, the City of Clearwater and the Clearwater Downtown Development Board as a result of increased property tax values in the Downtown CRA district, an increase in tax increment revenues in the amount of $350,838 (100.0%) received from Pinellas County and the City of Clearwater for the new North Greenwood CRA district, an increase of $2,854 (3.5%) in the payment received from the Clearwater Downtown Development Board (DDB) for administrative services provided by CRA staff, as well as a $3

million contribution received from the City of Clearwater to fund and establish projects in the new North Greenwood CRA district.

- Total general revenues increased $312,239 due to an increase in investment earnings of $705,773 resulting from rising interest rates as well as increased market value of the investment portfolio and corresponding unrealized gains, offset by a loss of $393,534 on the sale of property to Archway Clearwater Gardens for the construction of affordable housing.

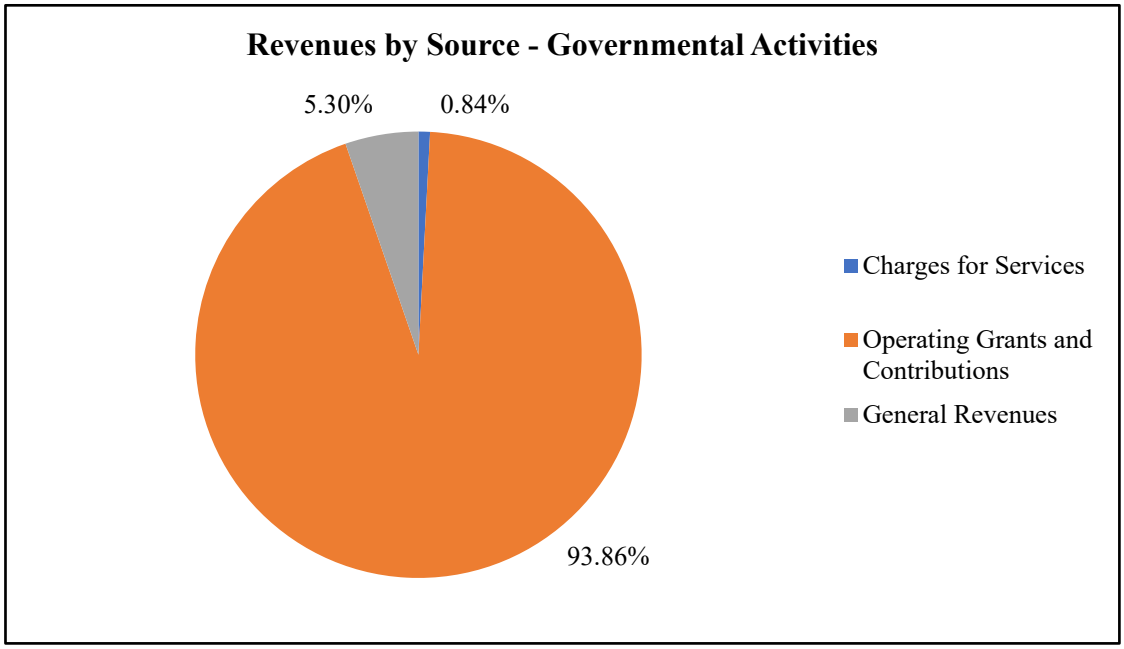
Expenses and Program Revenues - Governmental Activities

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Economic Environment	$ 3,211,621	100.00%	$ 9,526,695	100.00%	$ 6,315,074
Total	$ 3,211,621	100.00%	$ 9,526,695	100.00%	$ 6,315,074



Revenues by Source - Governmental Activities

Revenues Source	Revenues	% of Total
Charges for Services	$ 84,358	0.84%
Operating Grants and Contributions	9,442,337	93.86%
General Revenues	532,682	5.30%
Total	$10,059,377	100.00%



Financial Analysis of the Clearwater Community Redevelopment Agency's Funds

As noted earlier, the Clearwater Community Redevelopment Agency uses fund accounting to ensure and demonstrate compliance with finance related requirements.

Governmental Funds

The focus of the Clearwater Community Redevelopment Agency's general fund is to provide information on near term inflows, outflows, and balances of spendable resources of the Downtown CRA district. 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 $3,103,950, an increase of $3,100,450 for fiscal 2024 in comparison with a decrease of $2,713 for the prior year. $3,100,000 of this amount is offset by a mortgage receivable on the Archway Clearwater Gardens project, and $3,950 is restricted for encumbrances. Revenues increased $1,351,168 (23.5%) due to an increase in investment earnings of $705,773 (320.2%) resulting from rising interest rates as well as increased market value of the investment portfolio and corresponding unrealized gains, an increase of $642,541 (11.8%) in tax increment revenue received from Pinellas County, the City of Clearwater and the Clearwater Downtown Development Board as a result of increased property tax values in the Downtown CRA district, as well as an increase of $2,854 (3.5%) in the payment received from the Clearwater Downtown Development Board (DDB) for administrative services provided by CRA staff. Current expenditures increased $106,119 (10.1%) primarily due an increase of $28 thousand in the payment to the Clearwater Downtown Development Board to return tax increment funding due to increased property values; an increase of $61 thousand in the payment to the City of Clearwater for staffing and administrative services provided by the City to the CRA, and an increase of $30 thousand in professional services due to appraisal fees for various sites in the Downtown CRA district.

The North Greenwood CRA special revenue fund was opened in fiscal 2024 with the creation of the North Greenwood CRA district. Revenues of $350,838 are attributed to tax increment revenue from the City of Clearwater ($192,690) and Pinellas County ($158,148). $5,575 was expended for survey services, and the balance of $345,263 was transferred to the North Greenwood CRA capital projects fund for future projects.

The fund balance of the Downtown CRA capital projects fund increased from $13,275,260 to $15,443,742, an increase of $2,168,482 or 16.3% during the current fiscal year compared to an increase of $1,796,601 for fiscal 2023. There were no revenues in fiscal 2023 or 2024. Current expenditures increased $1,159,586 (134.0%), primarily due to contributions to the City of Clearwater for the Cleveland Street project. Capital outlay decreased $2,039,580 (100.0%) from the prior year, due primarily to acquisition of the Peace Memorial Church property at 107 South Osceola Avenue for the construction of a public parking garage, in addition to construction work at the Gateway Mercado project, during fiscal 2023.

The North Greenwood CRA capital projects fund was opened in fiscal 2024 with the creation of the North Greenwood CRA district. Revenues of $3 million were received from the City of Clearwater to create the fund and establish projects in the new North Greenwood CRA district. Transfers in of $345,263 represent excess funds from the North Greenwood CRA special revenue fund.

The fund balances are restricted, and only available for spending to preserve and enhance the tax base per the redevelopment trust fund for the Downtown CRA district established pursuant to Chapter 163.387, Florida Statutes, City of Clearwater Ordinance 7214-03, and Pinellas County Ordinance 04-10; and the redevelopment trust fund for the North Greenwood CRA district established pursuant to Chapter 163.387, Florida Statutes, City of Clearwater Ordinance 9642-23, and Pinellas County Ordinance 23-5.

General Fund Budgetary Highlights

Final budgeted General Fund revenues are $44,550 greater than original budgeted revenues due to an increase in interest earnings of $47,673, offset by a decrease in tax increment financing from Pinellas County and the City of Clearwater in the amount of $3,123.

Final budgeted General Fund expenditures are $509 greater than original budgeted expenditures due to an adjustment to reflect actual and anticipated expenditures for the fiscal year.

Final budgeted General Fund transfers out are $44,041 greater than original budgeted transfers out, reflecting a net increase in funding to capital projects to adjust for actual tax increment funding received from Pinellas County and the City of Clearwater.

Total actual expenditures were less than final budgeted expenditures in the amount of $450,343, primarily due to expenditures being less than anticipated for payments to the City of Clearwater for administrative services provided by the City to the CRA ($264 thousand), professional and contractual services ($128 thousand), advertising and promotional costs ($24 thousand), and travel and training ($20 thousand).

Capital Assets

Capital assets include land, buildings and building improvements, improvements other than buildings, and machinery and equipment. As of September 30, 2024, the Clearwater Community Redevelopment Agency had investments in capital assets totaling $6,543,042 (net of accumulated depreciation).

Clearwater Community Redevelopment Agency
Comparative Statement of Capital Assets
September 30, 2023 and 2024

	Governmental Activities	
	2024	2023
Land	$ 5,974,310	$ 7,717,844
Buildings	458,098	458,098
Construction in progress	223,250	223,250
	6,655,658	8,399,192
Less: accumulated depreciation	(112,616)	(89,711)
Capital assets, net	$ 6,543,042	$ 8,309,481

Net capital assets for the CRA's governmental activities decreased from $8,309,481 to $6,543,042, reflecting a decrease in land of $1,743,534 due to the sale of seven parcels in the Downtown CRA district to Archway Clearwater Gardens for the construction of affordable housing, in addition to $22,905 in depreciation expense.

Land and buildings consist of properties purchased by the CRA to be offered to for redevelopment opportunities intended to attract people to live, work and play in the Downtown and North Greenwood CRA districts. Construction in progress consists of construction of the Gateway Mercado, a dynamic public plaza space at the intersection of Cleveland Street and Gulf to Bay Boulevard, which held its grand opening on April 6, 2025.

Long-Term Debt

The Clearwater Community Redevelopment Agency's tax increment revenues are not pledged externally to any lender for any indebtedness related to the CRA.

Economic Factors and Next Year's Budgets and Rates

Factors considered in preparing the Clearwater Community Redevelopment Agency's budget for fiscal year 2025 included:

- In the original Downtown CRA district, taxable county property values increased 4.5%, from $544.4 million to $568.8 million, while taxable municipal property values increased 4.5%, from $544.2 million to $568.7 million. In the expanded Downtown CRA district, taxable county property values increased 9.9%, from $192.5 million to $211.5 million, while taxable municipal property values increased 9.9%, from $192.2 million to $211.2 million. The difference between municipal and county taxable values is due to an additional homestead exemption offered by the City of Clearwater to low-income seniors. The tax increment received by the Downtown CRA district from Pinellas County, the City of Clearwater and the Clearwater Downtown Development Board is based on the increase in taxable value in the Downtown CRA district over a base year, which is identified as 1981 for the original Downtown CRA district and 2004 for the expanded Downtown CRA district.
- In the North Greenwood CRA district, taxable county property values increased 13.6%, from $366.5 million to $416.4 million, while taxable municipal property values increased 13.7%, from $365.2 million to $415.0 million. The difference between municipal and county taxable values is due to an additional homestead exemption offered by the City of Clearwater to low-income seniors. The tax increment received by the North Greenwood CRA district from Pinellas County and the City of Clearwater is based on the increase in taxable value in the North Greenwood CRA district over a base year, which is identified as 2002.
- The CRA entered into an interlocal agreement with the Clearwater Downtown Development Board to provide personnel, administrative and management services for fiscal year 2025. This agreement has been in place since fiscal year 2000. It provides for the Clearwater Downtown Development Board to pay the CRA $87,309 for these services in fiscal year 2025, an increase of 3.5% over the previous year. It also provides for the CRA to return the tax increment payment received from the Clearwater Downtown Development Board pursuant to Florida Statue 163.387 in exchange for the performance of certain responsibilities and functions consistent with and in furtherance of the Downtown Redevelopment Plan.
- The CRA entered into an interlocal agreement with the City of Clearwater to provide staffing and administrative services to the CRA for fiscal year 2025, and to provide for the reimbursement of certain expenses by the CRA to the City.
- The CRA entered into an interlocal agreement with the City of Clearwater to provide funding in the amount of $282,433 for fiscal year 2025 to underwrite the cost of additional community policing services performed by the Clearwater Police Department to reduce the sale of illegal narcotics and reduce the prevalence of prostitution, address homeless issues, and improve the safety and security of residents and businesses in the Downtown Gateway, Prospect Lake, and the Downtown Core areas encompassed by the CRA.

Request for Information

This financial report is designed to provide a general overview of the Clearwater Community Redevelopment Agency's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Clearwater, Finance Department, 100 S. Myrtle Avenue, Clearwater, Florida 33756-5520.

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Statement of Net Position
September 30, 2024

ASSETS		
Current assets:		
Cash and cash equivalents	$	19,135,229
Receivables		3,157,335
Total current assets		22,292,564
Noncurrent assets:		
Land		5,974,310
Buildings, net		345,482
Construction in progress		223,250
Total noncurrent assets		6,543,042
Total assets		28,835,606
LIABILITIES		
Accounts payable and other current liabilities		26,169
Due to other governments		373,440
Total liabilities		399,609
NET POSITION		
Net investment in capital assets		6,543,042
Restricted for:		
Community Redevelopment		21,892,955
Total net position	$	28,435,997

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

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Statement of Activities
For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Primary Government: Governmental Activities
Governmental activities:				
Economic Environment	$ 3,211,621	$ 84,358	$ 9,442,337	$ 6,315,074
Total governmental activities	3,211,621	84,358	9,442,337	6,315,074
Total primary government	$ 3,211,621	$ 84,358	$ 9,442,337	6,315,074
General revenues:				
Investment earnings				926,216
Gain (loss) on sale of capital assets				(393,534)
Total general revenues				532,682
Change in net position				6,847,756
Net position - beginning				21,588,241
Net position - ending				$ 28,435,997

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

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Balance Sheet
Governmental Funds
September 30, 2024

	General Fund	North Greenwood CRA	Downtown CRA Capital Projects Fund	North Greenwood CRA Capital Projects Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 326,217	$ 5,575	$ 15,458,174	$ 3,345,263	$ 19,135,229
Mortgages, notes and other loans (net)	3,100,000	-	-	-	3,100,000
Accrued interest	57,335	-	-	-	57,335
Total assets	$ 3,483,552	$ 5,575	$ 15,458,174	$ 3,345,263	$ 22,292,564
Liabilities					
Accounts and contracts payable	$ 6,162	$ 5,575	$ 14,432	$ -	$ 26,169
Due to other governments	373,440	-	-	-	373,440
Total liabilities	379,602	5,575	14,432	-	399,609
Fund Balance					
Restricted	3,103,950	-	15,443,742	3,345,263	21,892,955
Total fund balance	3,103,950	-	15,443,742	3,345,263	21,892,955
Total liabilities and fund balance	$ 3,483,552	$ 5,575	$ 15,458,174	$ 3,345,263	$ 22,292,564

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

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Reconciliation of Balance Sheet
To the Statement of Net Position
For the Year Ended September 30, 2024

Fund balances of governmental funds		$ 21,892,955
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 are not reported in the funds.		
Cost of capital assets	$ 6,655,658	
Less: Accumulated Depreciation	(112,616)	
		6,543,042
Net position of governmental activities		$ 28,435,997

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

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Governmental Funds
For the Year Ended September 30, 2024

	General Fund	North Greenwood CRA	Downtown CRA Capital Projects Fund	North Greenwood CRA Capital Projects Fund	Total Governmental Funds
Revenues					
Intergovernmental revenue - tax increment	$ 6,091,499	$ 350,838	$ -	$ -	$ 6,442,337
Intergovernmental revenue - local	-	-	-	3,000,000	3,000,000
Charges for services	84,358	-	-	-	84,358
Investment earnings:					
Interest	429,520	-	-	-	429,520
Net appreciation in fair value	496,696	-	-	-	496,696
Net investment earnings	926,216	-	-	-	926,216
Total revenues	7,102,073	350,838	-	3,000,000	10,452,911
Expenditures					
Current:					
Economic Environment	1,157,904	5,575	2,025,237	-	3,188,716
Total expenditures	1,157,904	5,575	2,025,237	-	3,188,716
Excess (deficiency) of revenues over expenditures	5,944,169	345,263	(2,025,237)	3,000,000	7,264,195
Other Financing Sources (Uses)					
Transfers in	1,750,000	-	5,943,719	345,263	8,038,982
Transfers out	(5,943,719)	(345,263)	(1,750,000)	-	(8,038,982)
Proceeds from the sale of capital assets	1,350,000	-	-	-	1,350,000
Total other financing sources (uses)	(2,843,719)	(345,263)	4,193,719	345,263	1,350,000
Net change in fund balances	3,100,450	-	2,168,482	3,345,263	8,614,195
Fund balances - beginning	3,500	-	13,275,260	-	13,278,760
Fund balances - ending	$ 3,103,950	$ -	$ 15,443,742	$ 3,345,263	$ 21,892,955

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

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities
For the Year Ended September 30, 2024

Net change in fund balances - total government funds		$ 8,614,195
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate these costs over the life of the assets. This is the amount by which capital outlays exceeded depreciation in the current period.		
Less: Current year depreciation	$ (22,905)	(22,905)
The net book value of capital asset dispositions is reported in the Statement of Activities but does not require the use of current financial resources and therefore is not reported in the governmental funds.		(1,743,534)
Change in net position of governmental activities		$ 6,847,756

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

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Intergovernmental revenue - tax increment	$ 6,094,622	$ 6,091,499	$ 6,091,499	$ -
Charges for services	84,357	84,357	84,358	1
Investment earnings (loss):				
Interest	265,000	312,673	429,520	116,847
Net appreciation (depreciation) in fair value	-	-	496,696	496,696
Net investment earnings (loss)	265,000	312,673	926,216	613,543
Total revenues	6,443,979	6,488,529	7,102,073	613,544
EXPENDITURES				
Current:				
Economic Environment	1,607,738	1,608,247	1,157,904	450,343
Total expenditures	1,607,738	1,608,247	1,157,904	450,343
Excess (deficiency) of revenues over expenditures	4,836,241	4,880,282	5,944,169	1,063,887
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,750,000	1,750,000
Transfers out	(4,836,241)	(4,880,282)	(5,943,719)	(1,063,437)
Proceeds from the sale of capital assets	-	-	1,350,000	1,350,000
Total other financing sources (uses)	(4,836,241)	(4,880,282)	(2,843,719)	2,036,563
Net change in fund balances	-	-	3,100,450	3,100,450
Fund balances - beginning	3,500	3,500	3,500	-
Fund balances - ending	$ 3,500	$ 3,500	$ 3,103,950	$ 3,100,450

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

Clearwater Community Redevelopment Agency
(A Component Unit of the City of Clearwater, Florida)
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
North Greenwood CRA
For the Year Ended September 30, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Intergovernmental revenue - tax increment	$ -	$ 347,489	$ 350,838	$ 3,349
Intergovernmental revenue - local	-	3,000,000	-	(3,000,000)
Total revenues	-	3,347,489	350,838	(2,996,651)
EXPENDITURES				
Current:				
Economic Environment	-	114,426	5,575	108,851
Total expenditures	-	114,426	5,575	108,851
Excess (deficiency) of revenues over expenditures	-	3,233,063	345,263	(2,887,800)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(3,233,063)	(345,263)	2,887,800
Total other financing sources (uses)	-	(3,233,063)	(345,263)	2,887,800
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

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

(1) Summary of Significant Accounting Policies

In 1981, the City of Clearwater (City) initially established a Community Redevelopment Agency (CRA), generally encompassing 260 acres, excluding existing rights-of-way, within an area generally described as Jones and Grove Streets to the north, Chestnut, Turner and Gould Streets to the south, Clearwater Bay to the west, and Missouri and Frederica Avenues to the east. The CRA was expanded in 2002 with approval of the City and the Pinellas County Board of County Commissioners to incorporate the eastern gateway area to downtown now referred to as the "Downtown Gateway." The expansion area contains approximately 228 acres, excluding existing rights-of-way, abutting and to the east of the original CRA, more generally described as the area lying east of Greenwood and Missouri Avenues, east to Highland Avenue, and bounded to the north by Drew Street, and to the south by Court Street.

In 2004, the City and Pinellas County approved a significant update to the Clearwater Downtown Redevelopment Plan that set forth an ambitious list of capital improvement projects and strategies for reducing blight and spurring economic redevelopment, for a duration of thirty years. As a condition of CRA expansion, the CRA was required to update Pinellas County on its progress in implementing the 2004 redevelopment plan after a 15-year time period. On February 26, 2019, the County voted unanimously to continue its support of the CRA as an urban revitalization area and to fund the CRA at 95% of the eligible tax increment for another 15 years, to 2034.

On January 12, 2023, the City of Clearwater adopted a Redevelopment Plan for the North Greenwood Community Redevelopment Area by Resolution 23-01; and on February 2, 2023 adopted Ordinance No. 9642-23 establishing a Redevelopment Trust Fund for the North Greenwood Community Redevelopment Area pursuant to F.S. 163.387, providing for the deposit of funds into the trust fund, establishing the base year, providing for the funding of the Redevelopment Trust Fund, providing for the appropriation of tax increment revenues to the Redevelopment Trust Fund, providing for the use of such funds by the Community Redevelopment Agency, and providing for the duration of the tax increment financing. On May 23, 2023, the Pinellas County Board of County Commissioners adopted County Resolution 23-44 and County Ordinance 23-5, formally approving the North Greenwood CRA Plan, creating a Redevelopment Trust Fund, and setting the County's TIF contribution rate at 95%. The County's approval also established a mid-point review in ten years that will include a full assessment by staff with recommendations if the County's TIF contribution should be adjusted or ended, and directed the creation of a North Greenwood Community Redevelopment Citizen Advisory Committee.

The CRA is funded primarily by tax increment financing (TIF) revenues collected from Pinellas County, the City of Clearwater, and the Clearwater Downtown Development Board (for the original Downtown CRA district only). TIF revenues are based on the increase in taxable value in each CRA district over a base year, which is identified as 1981 for the original Downtown CRA district, 2004 for the expanded Downtown CRA district, and 2022 for the North Greenwood CRA district.

The Clearwater City Council serves as the governing board of the CRA, and City management has operational responsibility for the CRA. The CRA does not have any employees.

The CRA maintains its accounting records in accordance 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) Reporting Entity

The Governmental Accounting Standards Board requires that these financial statements disclose any component units of the Clearwater Community Redevelopment Agency. Component units generally are legally separate entities for which a primary government is financially accountable. In addition, the primary government is able to impose its will upon the component unit, or there is a possibility that the component unit may provide specific financial benefits or impose specific financial burdens on the primary government. The CRA does not have any component units. The CRA a component unit of the City of Clearwater and, therefore, is reported as a blended component unit in the City's Annual Comprehensive Financial Report in accordance with generally accepted accounting principles.

(b) Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the primary government. Governmental activities normally are supported by tax increment financing collected from the Pinellas County, the City of Clearwater, and the Clearwater Downtown Development Board for the Downtown CRA district, and Pinellas County and the City of Clearwater for the North Greenwood CRA district, which are reported as intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

(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 as soon as all eligibility requirements imposed by the provider have been met.
Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Interest income associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the CRA.

The CRA reports the following major governmental funds:

The general fund is the government's primary operating fund, and includes the services, supplies and expenditures that occur during the fiscal year to conduct the Downtown CRA's daily operations.

The special revenue fund includes the services, supplies and expenditures that occur during the fiscal year to conduct the North Greenwood CRA's daily operations.

The Downtown CRA capital projects fund is used to account for capital improvements and funding for established programs within the Downtown CRA district whose work extends beyond one fiscal year. Funds are appropriated to specific redevelopment projects in support of the Clearwater Downtown Redevelopment Plan, which was most recently updated in 2018.

The North Greenwood CRA capital projects fund is used to account for capital improvements and funding for established programs within the North Greenwood CRA district whose work extends beyond one fiscal year. Funds are appropriated to specific redevelopment projects in support of the North Greenwood Community Redevelopment Area Plan, which was adopted in 2023.

(d) Budgets

An annual appropriated budget is legally adopted by the Trustees by resolution on a basis consistent with generally accepted accounting principles for the general fund and the special revenue fund. The budget is controlled at the fund level. The Trustees are authorized to transfer budgeted amounts within the general fund and the special revenue fund. In instances where appropriations and estimated revenues have been amended during the year by resolution, budget data presented in the financial statements represent final authorized amounts. Encumbrances outstanding at year-end are not reappropriated as part of the subsequent year's budget.

(e) Encumbrances

Encumbrance accounting is used in governmental funds to ensure effective budgetary control and accountability and to facilitate effective cash planning and control. As of September 30, 2024, encumbrances expected to be honored upon performance by the vendor in the coming year were:

General fund	$ 3,950
Capital projects funds	1,423,469
	$1,427,419

(f) Cash and Investments

The Clearwater Community Redevelopment Agency does not currently maintain accounts with either financial institutions or brokerages titled under its name. Cash and cash equivalents as presented in these financial statements reflects the CRA's equity in the City of Clearwater's pooled cash and investments and for purposes of these financial statements are considered demand deposits. All investments are governed by the City's Investment Policy, adopted on September 9, 2010.

Investments with original maturities of three months or less are considered to meet the definition of cash equivalents. The majority of the investments in which the City's funds have equity are held by the City's consolidated pool of cash and investments.

The City utilizes a consolidated cash pool to account for cash and investments of all City funds other than those which are required by ordinance to be physically segregated. The CRA is a participant in the City's pooled cash and investments program. The consolidated cash pool concept allows each participating fund to benefit from the economies of scale and improved yield which are inherent to a larger investment pool. Formal accounting records detail the individual equities of the participating funds. The cash pool utilizes a single checking account for all receipts and disbursements.

Since fund equities in this cash management pool have the general characteristics of demand deposits in that additional funds may be deposited at any time and also funds may be withdrawn at any time without prior notice or penalty, each fund's equity account is considered a cash equivalent regardless of the maturities of investments held by the pool.

(g) Fund Balance

The Clearwater Community Redevelopment Agency classifies the elements of fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to observe constraints imposed upon the use of the resources reported in the general fund. Each classification of fund balance is based on the relative strength of the constraints that control how specific amounts can be spent. The

order of spending would follow the same hierarchy; that is, if an amount for a specific purpose is categorized as restricted or committed, then spending for such purpose would come from that classification before any lower classification.

Nonspendable fund balance represents amounts that cannot be spent, such as inventories, prepaid amounts, property held for resale, long-term notes receivable and amounts that are legally or contractually required to remain intact.

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes determined by the highest level of legal authority of the Trustees, a resolution, and can only be changed by the same action.

Assigned fund balance includes amounts that are intended to be used by the Trustees for specific purposes but do not meet the criteria to be classified as restricted or committed because they are supported by management's intent rather than a formal action of the Trustees.

Unassigned fund balance represents the residual amount of fund balance not contained in the other classifications.

The Clearwater Community Redevelopment Agency has not adopted a minimum fund balance policy.

(2) Deposits and Investments

Cash and cash equivalents as of September 30, 2024 are as follows:

Demand deposits	$19,135,229

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the City's pooled cash investment policy prohibits investments in securities maturing more than fifteen years from the date of purchase, unless matched to a specific cash flow requirement. Additionally, the policy allows no more than 10% of the portfolio to have maturities in excess of ten years unless specifically matched against a debt or obligation. Finally, the investment policy states that it is the City's intent to keep the weighted average maturity to three years or less, except for temporary situations due to market conditions and/or cash needs when the average maturity may exceed three years but shall not exceed five years.

Credit Risk

The City's pooled cash investment policy, in accordance with Florida Statutes, allows investments in direct obligations of the United States, federal agencies, debt issued by the State of Florida or any political subdivision, and commercial paper of prime quality of the highest letter and numerical rating as provided by at least one nationally recognized rating service.

Concentration of Credit Risk

The City's pooled cash investment policy limits the investment in any one issuer to 40% of the portfolio.

Custodial Credit Risk

Monies on deposit with financial institutions are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, which provides protection against any loss to public depositors. Consistent with the City's investment policy, investments securities owned by the City are held by the City's custodian in the City's name and all purchases use the "delivery vs. payment" procedure.

(3) Capital Assets

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

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Non-depreciable capital assets:				
Land	$ 7,717,844	$ -	$ (1,743,534)	$ 5,974,310
Construction in progress	223,250	-	-	223,250
Total non-depreciable capital assets	7,941,094	-	(1,743,534)	6,197,560
Depreciable capital assets:				
Buildings	458,098	-	-	458,098
Total depreciable capital assets	458,098	-	-	458,098
Less accumulated depreciation for:				
Buildings	(89,711)	(22,905)	-	(112,616)
Total accumulated depreciation	(89,711)	(22,905)	-	(112,616)
Net depreciable capital assets	368,387	(22,905)	-	345,482
Net governmental activities capital assets	$ 8,309,481	$ (22,905)	$ (1,743,534)	$ 6,543,042

(4) Interfund transfers

Transfers from the general fund to the Downtown CRA capital projects fund contributed to the following projects:

Community Policing project	$ 257,643
Community Engagement project	250,000
Economic Development - City project	1,611,318
Economic Development - County project	246,160
Transportation - City project	100,000
Transportation - County project	250,000
Housing - City project	1,147,269
Housing - County project	2,081,329
	$ 5,943,719

Transfers from the special revenue fund to the North Greenwood CRA capital projects fund contributed to the following projects:

Economic Development - City project	$ 112,200
Housing - City project	76,422
Housing - County project	78,321
Mobility - County project	78,320
	$ 345,263

Transfers from the Downtown CRA capital projects fund to the General Fund were contributed by the following project for the Archway Gardens mortgage loan:

Housing - County project	$ 1,750,000

(5) Interlocal Agreements

- On September 18, 2023, the Clearwater Community Redevelopment Agency (CRA) Trustees approved an interlocal agreement with the City of Clearwater (City) to provide funding in the amount of $257,643 to underwrite the cost of additional community policing services by the Clearwater Police Department to reduce the sale of illegal narcotics and reduce the prevalence of prostitution, address homeless issues, and improve the safety and security of residents and businesses in the Downtown Gateway, Prospect Lake, and the Downtown Core areas encompassed by the CRA.

- On September 18, 2023, the Clearwater Community Redevelopment Agency (CRA) Trustees approved an interlocal agreement with the City of Clearwater (City) to provide funding for staffing, information technology and telephone services for the CRA, and reimbursement of certain expenses by the CRA to the City. Actual fees reimbursed to the City by the CRA totaled $718,951 for the fiscal year.

- On September 18, 2023, the Clearwater Community Redevelopment Agency (CRA) Trustees approved an interlocal agreement with the Clearwater Downtown Development Board (DDB) for the term of October 1, 2023 to September 30, 2024. The agreement specifies that the CRA will refund to the DDB the fiscal 2024 tax increment payment received from the DDB, which totaled $363,521 for the fiscal year, in support of downtown redevelopment initiatives. The agreement also provides that the CRA will deduct $84,358 from the reimbursement, to represent reimbursement to the CRA from the DDB for fiscal 2023 administrative support services provided.

(6) Contingent Liabilities and Commitments

For the year ended September 30, 2024, the CRA did not receive any amounts from grantor agencies that are subject to audit and adjustment by grantor agencies.

(7) Loans Payable

The following loans payable are reported as Due to Other Governments on the general fund balance sheet and the government-wide statement of net position:

City of Clearwater:
On September 1, 2011, the City of Clearwater approved a loan to the CRA in the amount of $325,440 for the environmental cleanup expense of the Car Pro site in the East Gateway area of the Downtown CRA district. The loan is interest-free and is to be repaid upon the sale of the parcel.

Clearwater Downtown Development Board:
On September 22, 2003, the CRA Trustees approved an interlocal agreement with the Clearwater Downtown Development Board (DDB). Under the terms of this agreement, the DDB agreed to loan the CRA $48,000 to purchase property. The unsecured loan is not subject to interest and will be repaid to the DDB upon subsequent sale of the property. If the property is resold for an amount greater than the original purchase price, the CRA will pay a proportionate share (3.85%) of the profit. If the property sells for less than the original purchase price, then the CRA will reimburse the DDB for the entire principal amount of the loan.

(8) Mortgage Loans Receivable

On April 9, 2024, the Community Redevelopment Agency closed on the sale of seven parcels at 1260 Cleveland Street and 1277 Grove Street to Archway Clearwater Gardens, LLC for the construction of an 81-unit affordable housing development consisting of one- and two-bedroom apartment units ranging from 620-890 square feet. The units will be limited to households earning up to 30%-80% of Area Median Income and will be income restricted for the life of the project. This transaction is secured by a mortgage note in the amount of $17 million to Raymond James Bank as senior lender; a second subordinate mortgage note to the Community Redevelopment Agency in the amount of $3 million for a 30-year deferred term at 0% interest; a third subordinate mortgage note to the City of Clearwater in the amount of $610,000 funded by SHIP and HOME grants for a 30-year term at 0% interest; and a fourth subordinate mortgage note to the Community Redevelopment Agency in the amount of $1.35 million for a 40-year deferred term at 4.18% interest. As of September 30, 2024, mortgage loans total $3.1 million, consisting of $1.75 million of the $3 million loan drawn to date, plus $1.35 million for the purchase of the property from the Community Redevelopment Agency.

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
600 Cleveland Street
Suite 1000
Clearwater, FL 33755

727.446.0504
727.461.7348 (fax)
CRIadv.com

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*

To the Honorable Chair and Trustees
Clearwater Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Clearwater Community Redevelopment Agency ("Agency"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated April 15, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

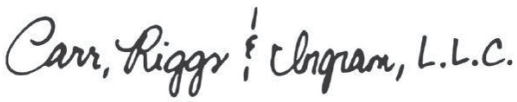
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

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



CARR, RIGGS & INGRAM, L.L.C.

Clearwater, Florida
April 15, 2025

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
600 Cleveland Street
Suite 1000
Clearwater, FL 33755

727.446.0504
727.461.7348 (fax)
CRIadv.com

MANAGEMENT LETTER

To the Honorable Chair and Trustees
Clearwater Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Clearwater Community Redevelopment Agency ("Agency"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 15, 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; 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, which are dated April 15, 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. No audit findings or recommendations were noted in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Community Redevelopment Agency is a component unit of the City of Clearwater, Florida and was established by the City of Clearwater, Florida, Ordinances 2576-81 and 2779-82, pursuant to Chapter 163, Part III, Florida Statutes.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one of 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 Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

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 Clearwater Community Redevelopment Agency's geographical boundaries during the fiscal year under audit.

Specific Information

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

a. The total number of district employees compensated in the last pay period of the Agency's fiscal year as -0-.
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as 22.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $-0-.
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $4,557,527.
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. The CRA has spent $223,250 to date ($0 in FY2024) for the purpose of an outdoor festival area at the end of the Cleveland Street project, which was still under construction as of September 30, 2024.
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 Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General included in the Agency's basic financial statements.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Clearwater Community Redevelopment Agency reported:

a. The millage rate imposed by the Agency as -0-.
b. The total amount of ad valorem taxes collected on behalf of the Agency as -0-.
c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as $-0-.

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 fraud, waste, or abuse, that has occurred or are likely to have occurred, that has 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, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

CARR, RIGGS & INGRAM, L.L.C.

Clearwater, Florida
April 15, 2025

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
600 Cleveland Street
Suite 1000
Clearwater, FL 33755

727.446.0504
727.461.7348 (fax)
CRIadv.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Chair and Trustees
Clearwater Community Redevelopment Agency

We have examined the Clearwater Community Redevelopment Agency ("Agency"), compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management is responsible for the Agency's compliance with the requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

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

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

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

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

CARR, RIGGS & INGRAM, L.L.C.

Clearwater, Florida
April 15, 2025

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CRIadv.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH REDEVELOPMENT TRUST FUND

To the Honorable Chair and Trustees
Clearwater Community Redevelopment Agency

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

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

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

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

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

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

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

CARR, RIGGS & INGRAM, L.L.C.

Clearwater, Florida
April 15, 2025

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