DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

CONTENTS

Independent Auditors' Report 1-3

Management's Discussion and Analysis 4-11

Basic Financial Statements

Government-wide Financial Statements:
- Statement of Net Position 12
- Statement of Activities 13

Fund Financial Statements:
- Balance Sheet – Operating Fund 14
- Reconciliation of the Operating Fund Balance Sheet to the Statement of Net Position 15
- Statement of Revenues, Expenditures and Changes in Fund Balance - Operating Fund 16
- Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Operating Fund to the Statement of Activities 17

Notes to Financial Statements 18-38

Required Supplementary Information (Unaudited)

Schedule of the Agency's Proportionate Share of the Total OPEB Liability 39
Budgetary Comparison Schedule 40
Notes to the Budgetary Comparison Schedule 41

Reporting Section

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 42-43
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida 44-46
Independent Accountants' Report on Compliance with Florida Statutes 47

INDEPENDENT AUDITORS' REPORT

CBIZ CPAs P.C.

201 East Las Olas Boulevard
21st Floor
Fort Lauderdale, FL 33301

P: 954.320.8000

Independent Auditors' Report

To the Board of Directors and CRA Director
Deerfield Beach Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Deerfield Beach Community Redevelopment Agency (the "CRA" or "Agency"), a component unit of the City of Deerfield Beach, Florida, as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the CRA, as of September 30, 2025, and the respective changes in financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards"*). Our responsibilities under those standards are further described in the Auditors' 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the Agency's proportionate share of the total OPEB liability, and the budgetary comparison information on pages 4 - 11 and 39 - 41 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 GAAS, 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 June 5, 2026, 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 the CRA's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Fort Lauderdale, Florida
June 5, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

The Management's Discussion and Analysis ("MD&A") of the Deerfield Beach Community Redevelopment Agency (the "CRA") is designed to provide an objective and easy to read analysis of the financial activities for the fiscal year ended September 30, 2025 based on currently known facts, decisions, and conditions. The MD&A provides a broad overview, short-term and long-term analysis of the CRA's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the CRA's financial activity and identify changes in the CRA's financial position and its ability to address the next year's challenges. Finally, the MD&A will identify any material deviations from the approved budget.

The CRA was created in November 1999 by the City of Deerfield Beach's City Commission under Chapter 163, Part III, of the Florida Statutes. The CRA is a separate legal entity and is responsible for promoting economic redevelopment of the area that encompasses most of the beach district and the area along Hillsboro Boulevard from Federal Highway to the intracoastal waterway. The CRA is governed by a board which is comprised of the City's elected officials, and management of the City has operational responsibility of the CRA. Accordingly, the CRA is a dependent special district and a blended component unit of the City of Deerfield Beach, Florida (the "City") and is presented as a special revenue fund within the City's Annual Comprehensive Financial Report ("ACFR").

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

The information contained in this MD&A is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and required supplementary information provided.

Financial Highlights

- The total assets on the government-wide basis of the CRA of Deerfield Beach at September 30, 2025 increased $2.2 million from $16.3 million to $18.5 million primarily due to increase in capital assets.
- The assets plus deferred outflows exceed liabilities plus deferred inflows of the CRA at the close of the most recent fiscal year by $14.4 million (net position), an increase of $2.8 million primarily due to the excess of revenues over expenses due to some project delays in 2025.
- The negative unrestricted portion of total net position improved from a deficit of $4.0 million to deficit of $0.3 million.
- As of the close of the current fiscal year, the CRA's Operating Fund reported an ending fund balance of $5.1 million, an decrease of $3.1 million. All of this amount is restricted.

Overview of the Financial Statements

The MD&A serves as an introduction to the financial statements. The financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the finances, in a manner similar to a private-sector business and include both long-term and short-term information about the CRA's financial status.

The Statement of Net Position presents information on all the CRA's assets/deferred outflows and liabilities/deferred inflows, with the difference between the assets, liabilities, and deferred inflows/outflows 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 CRA'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 a future fiscal period.

The government-wide financial statements of the CRA are principally supported by taxes. The governmental activities of the CRA include economic redevelopment, public safety, human services, and culture and recreation.

The CRA's governmental-wide financial statements are found beginning on page 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The CRA utilizes only one fund; the Operating Fund from which all tax increment revenues are placed in this fund as they are received by the CRA.

Governmental fund A governmental fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the 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 CRA's near-term financing requirements. Information for the CRA's governmental fund is presented as the Operating Fund within the financial statement.

The focus of the governmental fund is narrower than government-wide financial statements, and it is therefore useful to compare the information presented for the governmental fund with similar information presented for governmental activities in the government-wide financial statements. By comparing and contrasting readers may better understand the long-term impact of the CRA's near-term financing decisions. The "Balance Sheet - Operating Fund" and "Statement of Revenues, Expenditures and Changes in Fund Balance - Operating Fund" are reconciled as shown on the "Reconciliation of the Operating Fund Balance Sheet to the Statement of Net Position" and the "Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance - Operating Fund to the Statement of Activities" to facilitate the comparison between the *governmental fund* and *governmental activities*.

The CRA adopts an annual appropriated budget for the Operating Fund. A Budgetary comparison schedule is provided for the Operating Fund to demonstrate compliance with the budget and provides an analysis of significant budgetary variances (both original budget versus the final amended budget).

The CRA's governmental fund financial statements can be found beginning on page 14 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 beginning on page 18 of this report and should be read in conjunction with the CRA's financial statements.

Other information. In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") concerning the CRA's budget to actual results for the Operating Fund for the fiscal year. The RSI and other information can be found beginning on page 39 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a CRA's financial position. In the case of the CRA, assets plus deferred outflows exceeded liabilities plus deferred inflows by $14.4 million at the close of fiscal year 2025.

A portion of the CRA's net position of $9.6 million, is comprised of its investment in capital assets (e.g., land, buildings, equipment), less any related debt and deferred inflows/outflows used to acquire those assets that are still outstanding. The CRA uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the CRA's investment in its 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.

SUMMARY OF CHANGES IN NET POSITION

	Governmental Activities		
	2025	2024	$ Variance
Revenues			
Taxes	$ 6,156,964	$ 5,711,639	$ 445,325
Unrestricted investment earnings	128,085	159,294	(31,209)
Charges for services	324,614	--	324,614
Total Revenues	6,609,663	5,870,933	738,730
Expenses			
Economic redevelopment	3,401,766	1,015,265	2,386,501
Public safety	83,688	31,371	52,317
Culture and recreation	195,725	198,493	(2,768)
Interest on long-term debt	150,587	182,863	(32,276)
Total Expenses	3,831,766	1,427,992	2,403,774
Change in Net Position	2,777,897	4,442,941	(1,665,044)
Net Position			
Beginning of year	11,591,935	7,148,994	4,442,941
End of year	$ 14,369,832	$ 11,591,935	$ 2,777,897

An additional portion of the CRA's net position, approximately $5.1 million, represents resources that are subject to external restrictions on how they may be used. Unrestricted net position is a deficit of $0.3 million. This is a result of expensing construction costs in prior years.

The CRA's current and other assets decreased by $2.8 million from $8.4 million to $5.6 million due to the overall operations of the CRA and debt repayments made during the year. Thus, the CRA ended the year with $2.5 million more in cash than it did at September 2024 and a decrease of $5.3 million due from the City. Capital assets also increased by $4.9 million from $7.9 million to $12.9 million primarily due to construction in progress on the S-Curve Utility Undergrounding and Lighting Program.

Current liabilities remained consistent with prior year. The CRA's total noncurrent liabilities decreased from $4.5 million to $3.4 million from the prior year due largely to the pay-down of long-term debt obligations.

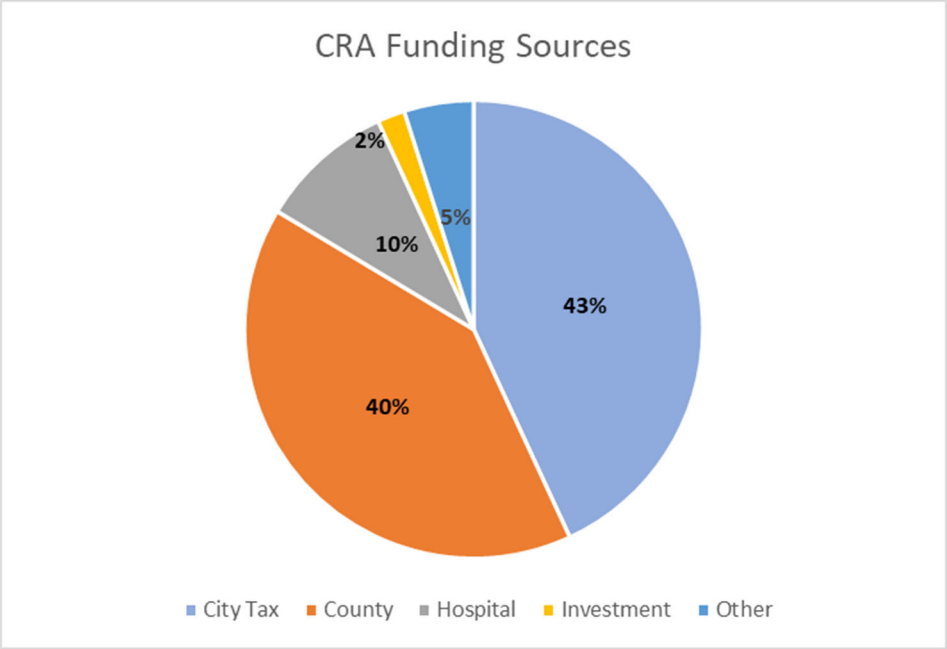
SUMMARY OF NET POSITION

	Governmental Activities		
	2025	2024	$ Variance
Current and other assets	$ 5,600,397	$ 8,360,994	$ (2,760,597)
Capital assets, net	12,860,842	7,947,774	4,913,068
Total Assets	18,461,239	16,308,768	2,152,471
Deferred Outflows	15,104	21,357	(6,253)
Current liabilities	601,800	234,355	367,445
Long-term debt and other non-current liabilities	3,420,373	4,454,051	(1,033,678)
Total Liabilities	4,022,173	4,688,406	(666,233)
Deferred Inflows	84,338	49,784	34,554
Net Position			
Net investment in capital assets	9,625,640	7,375,100	2,250,540
Restricted	5,073,079	8,219,693	(3,146,614)
Unrestricted	(328,887)	(4,002,858)	3,673,971
Total Net Position	$ 14,369,832	$ 11,591,935	$ 2,777,897

Governmental activities. The CRA's total revenues amounted to $6.6 million in governmental activities. Of these revenues, 93.2% is generated from the tax incremental revenue, unrestricted investment earnings comprise less than 2%. The increase in the tax incremental revenue is primarily due to the increase in property values within the CRA. Tax increment revenue is a function of the increase in the assessed values of properties within the CRA district above the base year valuation amounts, as well as the operating millage rate of each taxing district that contributes to the tax increment. There was no operating millage increase for the City.

The CRA's expenses cover a range of services. Expenditures on culture and recreation, debt service and economic redevelopment were the most significant portions.

The chart shows the percent of the total for each funding source of the revenue supporting governmental activities.



Financial Analysis of the CRA's Operating Fund

The CRA's uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Operating fund. The focus of the CRA's Operating 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.

As of the end of the fiscal year, the CRA's Operating Fund reported ending fund balances of $5.1 million, an decrease of $3.1 million from the prior year's ending balances of $8.2 million.

- Overall revenues increased by $739K. The portion of revenues attributed to taxes increased approximately $445K. Investment earnings decreased by $31K due to overall market conditions.
- Revenues exceeded expenses due to project delays in 2025.

The CRA's Operating Fund accounts for revenues collected from and expenditures incurred within the CRA district. At the end of the fiscal year, total fund balance in this fund amounted to $5.1 million.

Capital Assets and Debt Administration

Capital assets. The CRA's capital assets as of September 30, 2025, amounted to $12.9 million (net of accumulated depreciation). These capital assets include buildings, improvements and construction in progress. The total increase in the CRA's capital assets for the current fiscal year was 19% due to capitalization of ongoing project costs. The following table summarizes the CRA's capital assets.

SCHEDULE OF CAPITAL ASSETS
(NET OF DEPRECIATION)

	Governmental Activities	
	2025	2024
Buildings	$ 1,689,774	$ 469,599
Improvements	2,469,929	2,845,526
Construction in progress	8,701,139	4,632,649
Totals	$ 12,860,842	$ 7,947,774

Major capital asset events during the fiscal year included the following:

- Sullivan park Facility $4,132,774

Additional information on the CRA's capital assets can be found in Note 3 beginning on page 30 of this report.

Long-term debt. At year-end, the CRA had $3.2 million in outstanding covenant bonds (for which the CRA must "covenant" and appropriate funds necessary to pay the annual debt service), but which are primarily backed by the City.

The CRA, as a component unit of the City, carries similar credit rating for its debt secured by its covenant-to-budget and appropriate non-ad valorem revenue was recently upgraded from "AA-" to "AA" by Standard & Poor's Global Ratings. The City/CRA's credit profile for its covenant-to-budget and appropriate debt from Fitch Ratings remained the same at "AA-."

	Governmental Activities	
	2025	2024
Covenant Bonds	$ 3,215,000	$ 4,195,000

Economic Factors and Next Year's Budget

The CRA evaluated the long-term impacts of the national and local economies in conjunction with its business decisions. For the upcoming year, the CRA will focus its efforts on completion of the Marine Science Center at Sullivan Park and commencement of a parking feasibility study for parking improvements in the CRA district. The CRA is nearing the end of its statutory term operation and parking solutions remain the last large scale redevelopment activity called for in the CRA plan. Details about the CRA's achievements and initiatives can be found at https://www.deerfield-beach.com/452/Community-Redevelopment-Agency-CRA.

Request for Information

This financial report is designed to provide a general overview of the CRA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Community Redevelopment Agency of Deerfield Beach, 150 N.E. 2nd Avenue, Deerfield Beach, Florida 33441.

FINANCIAL STATEMENTS

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

	Governmental Activities
Assets	
Cash and cash equivalents	$ 2,572,515
Investments	3,018,110
Interest receivable	9,772
Capital assets, net of accumulated depreciation:	
Capital assets not being depreciated	8,701,139
Capital assets being depreciated, net	4,159,703
Total Capital assets, net	12,860,842
Total Assets	18,461,239
Deferred Outflows of Resources	
OPEB	15,104
Liabilities and Net Position	
Liabilities	
Accounts payable	463,025
Retainage payable	20,202
Accrued payroll	44,091
Accrued interest payable	74,482
Non-current liabilities:	
Due within one year:	
Bonds payable	1,010,000
Due in more than one year:	
Total OPEB liability	205,373
Bonds payable	2,205,000
Total Liabilities	4,022,173
Deferred Inflows of Resources	
OPEB	84,338
Net Position	
Net investment in capital assets	9,625,640
Restricted net position:	
Community redevelopment programs	5,073,079
Unrestricted	(328,887)
Total Net Position	$ 14,369,832

The accompanying notes are an integral part of these financial statements.

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

		Program Revenues			Net Revenue (Expense) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Function/Programs					
Expenses:					
Economic redevelopment	$ 3,401,766	$ --	$ --	$ --	$ (3,401,766)
Public safety	83,688	--	--	--	(83,688)
Culture and recreation	195,725	324,614	--	--	128,889
Interest on long-term debt	150,587	--	--	--	(150,587)
Total Expenses	3,831,766	324,614	--	--	(3,507,152)
Total Primary Government	$ 3,831,766	$ 324,614	$ --	$ --	(3,507,152)
		General Revenues			
		Incremental property taxes			6,156,964
		Unrestricted investment earnings			128,085
		Total General Revenues			6,285,049
		Change in Net Position			2,777,897
		Net Position - Beginning			11,591,935
		Net Position - Ending			$ 14,369,832

The accompanying notes are an integral part of these financial statements.

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

BALANCE SHEET
OPERATING FUND

SEPTEMBER 30, 2025

Assets		
Cash and cash equivalents	$	2,572,515
Investments		3,018,110
Interest receivable		9,772
Total Assets	$	5,600,397
Liabilities		
Accounts payable:		
Vendors payable	$	463,025
Retainage payable		20,202
Accrued payroll		44,091
Total Liabilities		527,318
Fund Balance		
Restricted for:		
Community redevelopment programs		5,073,079
Total Fund Balance		5,073,079
Total Liabilities and Fund Balance	$	5,600,397

The accompanying notes are an integral part of these financial statements.

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

RECONCILIATION OF THE OPERATING FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

Fund Balance - Operating Fund		$ 5,073,079
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 Operating Fund:		
Governmental capital assets	$ 13,222,442	
Less accumulated depreciation	(361,600)	12,860,842
Long-term liabilities, including bonds payable and OPEB, are not due and payable in the current period and are not reported in the Operating Fund:		
Accrued interest payable	(74,482)	
Bonds payable	(3,215,000)	
Total OPEB liability	(205,373)	(3,494,855)
Deferred outflows/inflows of resources related to other post employment benefits:		
Deferred outflows related to OPEB	15,104	
Deferred inflows related to OPEB	(84,338)	(69,234)
Net Position of Governmental Activities		$ 14,369,832

The accompanying notes are an integral part of these financial statements.

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - OPERATING FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Revenues		
Property taxes	$	6,156,964
Investment earnings		128,085
Miscellaneous		324,614
Total Revenues		6,609,663
Expenditures		
Current:		
Economic environment		3,308,424
Public safety		83,688
Culture and recreation		195,725
Capital outlay		5,019,281
Debt service:		
Principal retirement		980,000
Interest and fiscal charges		169,159
Total Expenditures		9,756,277
Excess Deficiency of Revenues Over Expenditures		(3,146,614)
Net Change in Fund Balance		(3,146,614)
Fund Balance - Beginning		8,219,693
Fund Balance - Ending	$	5,073,079

The accompanying notes are an integral part of these financial statements.

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF OPERATING FUND TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balance - Operating Fund		$ (3,146,614)
Amounts reported for governmental activities in the Statement of Activities are different because:		
The Operating fund reports capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported in depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	$ 5,051,530	
Depreciation	(138,462)	4,913,068
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore are not reported in the fund:		
Other postemployment benefit expense		12,871
The issuance of long-term debt (e.g., bonds) provides current financial resources to the Operating Fund, while the repayment of the principal long-term debt consumes the current financial resources to the Operating Fund. Neither transaction, however, has any effect on net position. Also, the Operating Fund reports the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Long-term debt principal repayments		980,000
Interest on long-term debt in the Statement of Activities differs from the amount reported in the Operating Fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The interest expense reported in the Statement of Activities is the result of accrued interest on bonds payable.		18,572
Change in Net Position - Governmental Activities		$ 2,777,897

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION

This summary of the Deerfield Beach Community Redevelopment Agency's (the "CRA" or the "Agency") significant accounting policies is presented to assist the reader in interpreting the financial statements and other information in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements include both government-wide and fund financial statements. The government-wide focus is on the sustainability of the Agency as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the Operating Fund.

FINANCIAL REPORTING ENTITY

The CRA is a separate legal entity, which is largely responsible for redevelopment of the area that encompasses most of the beach district and the area along Hillsboro Boulevard from Federal Highway to the Atlantic Ocean and was established in November 1999 through City ordinance 1999-027. The CRA is governed by a board which is comprised of the City of Deerfield Beach's (the "City"), elected officials, and management of the City has operational responsibility of the CRA. The CRA is also fiscally dependent upon the City. Accordingly, the CRA is a blended component unit and is presented as a special revenue fund in the City's annual financial report. The CRA has a September 30 year-end.

Revenues for the Agency are generated primarily from Tax Increment Financing ("TIF"). This revenue is computed by applying the operation tax for the City, Broward County, the North Broward Hospital District, multiplied by the increased value of property within the CRA over the base property value minus 5%. The City, Broward County and the North Broward Hospital District are required to fund this amount annually without regard to tax collections or other obligations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the Agency's transactions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the Operating Fund, with a reconciliation to the government-wide financial statements.

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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. The Operating 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 if they are collected within three months of the end of the current fiscal period, with the exception of property tax revenue, which is deferred unless taxes are received within sixty days subsequent to year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, are recorded only when payment is due.

Property taxes (when levied), intergovernmental revenue (when the eligibility requirements are met), as well as interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable and available only when cash is received by the Agency.

The Agency reports the following fund:

The ***Community Redevelopment Agency Fund (the "Operating Fund")*** accounts for the proceeds of tax increment revenues and the related expenditures for redevelopment of the area that hovers along Hillsboro Boulevard and that encompasses most of the beach district from Federal Highway to the Atlantic Ocean.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS. BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Amounts reported as general revenues are primarily from tax increments contributed by the City, Broward County and Broward Health.

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

NEW ACCOUNTING PRONOUNCEMENTS

The Agency implemented the following Governmental Accounting Standards Board ("GASB") Statements during the fiscal year ended September 30, 2025:

The implementation of GASB Statement No. 100, *Compensated Absences,* and Statement No. 102, *Certain Risk Disclosures*, did not have a significant impact on the Agency's financial statements.

DEPOSITS AND INVESTMENTS

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The Agency has established an investment policy in accordance with Section 218.415, Florida Statutes that allows the Agency to invest in relatively low-risk securities, such as the State Treasurer's Investment Pool FLORIDA PRIME, and U.S. government and agencies securities. In accordance with the requirements of the GASB, all investments of the Agency have been reported at fair value except money market funds and the State Treasurer's Investment Pool which its reported value is the same as the value of the pool shares and is recorded at amortized cost.

Investment revenue is comprised of interest and dividends and realized gains and losses on investments. Net increase (decrease) in the fair value of investments is comprised of unrealized gains and losses on investments.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECEIVABLES AND PAYABLES

Activity between the Agency and the City of Deerfield Beach that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from City" (i.e., the current portion of interfund loans) or "advances to/from other city" (i.e., the noncurrent portion of interfund loans).

RESTRICTED ASSETS

Certain resources are set aside for economic redevelopment and are classified as restricted assets.

CAPITAL ASSETS

Capital assets, which include buildings and improvements, are reported in the governmental government-wide statements. Capital assets are defined by the Agency as assets with an initial individual cost of $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* requires certain note disclosures or recognition regarding impairments of capital assets. The CRA did not recognize any impairments of capital assets in fiscal year 2025.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS (CONTINUED)

The Agency's capital assets are depreciated using the straight line method over the following estimated useful lives:

Asset Type	Years
Buildings	40
Building improvements	20
Other infrastructure	20 – 50
Equipment	5 – 10

In the Operating Fund financial statements, capital assets are reported as expenditures and no depreciation expense is recorded.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Statements of Net Position require the inclusion of a separate section for deferred outflows of resources. A deferred outflow of resources represents the usage of net assets that is applicable to future periods.

The Statement of Net Position also include a separate section for deferred inflows of resources, which represent the acquisition of net assets which is applicable to future periods that will be recognized as revenue (or serve as a reduction of expenses) in a future period.

COMPENSATED ABSENCES

The Agency's participates in the City's compensated absence plan. It is the City's policy to permit employees to accumulate earned, unused vacation and sick pay benefits. A portion of accumulated sick pay benefits are paid upon separation based on the number of years of service. All vacation pay and applicable portions of sick pay balances are accrued when incurred in the government-wide statements. A liability for these amounts is reported in the Operating Fund only if they have matured, for example, as a result of employee resignations and retirements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the government-wide Statement of Net Position. Bonds payable are reported net of the applicable bond premium or discounts. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Deferred amounts (the difference between the reacquisition price and the net carrying amount) on refundings are amortized over the shorter of the remaining life of the old debt or the life of the new debt using the straight line method, which does not result in a material difference from the effective interest method. Debt issuance costs, except for the portion which relates to prepaid insurance costs, are recognized as an expense in the period incurred. Prepaid insurance costs are reported as an asset and are recognized as expense on a straight line basis over the duration of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Debt principal payments, interest expense issuance costs, and interest, whether or not withheld from actual debt proceeds, are reported as debt service expenditures.

FUND BALANCE/NET POSITION

Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental funds report separate classifications of fund balance. The non-spendable fund balance classification 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. The restricted fund balance is defined as having restrictions (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Committed fund balance is defined as amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) performed prior to year-end, of the Agency's Board. Assigned fund balance represents amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed. Unassigned fund balance only for the Operating Fund, includes the remaining fund balance, or net resources available for any purpose. Unassigned fund balance represents amounts that are not constrained in any way.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND BALANCE/NET POSITION (CONTINUED)

Fund Balance (continued)

When an expenditure is incurred for purpose for which both restricted and unrestricted fund balance is available, the Agency considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Agency considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the CRA Board has provided otherwise in its commitment or assignment actions.

The following table shows the Agency's fund balance classification for the Operating Fund as of September 30, 2025.

Restricted	
Community redevelopment programs	$ 5,073,079
Total Fund Balances	$ 5,073,079

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net Position

Net Investment in Capital Assets – is intended to reflect the portion of net position which is associated with capital assets (net of accumulated depreciation), less outstanding capital asset related debt, net of unspent bond proceeds and deferred inflow/outflow of resources that are attributed to the acquisition of those assets or related debt which are included in this component of net position.

Restricted Net Position – The Agency has third-party (statutory bond covenant or granting agency) limitations on use or limitations which have been imposed through enabling legislation.

Unrestricted Net Position – has no third-party limitations as to its use and consists of all net position that does not meet the definition of the other two components, and any net deficits that exist.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows and inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from management's estimates.

NOTE 3 - DETAILED NOTES

DEPOSITS

The deposits of the Agency, including time deposit accounts, demand deposit accounts and certificates of deposit, are defined as public deposits. Pursuant to the Agency's policies, all of the Agency's deposits are held in qualified public depositories pursuant to Chapter 280.03 of the Florida Statutes, the Florida Security for Public Deposits Act (the "Act"). Under the Act, all qualified public depositories are required to pledge eligible collateral having fair value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in fault. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss.

NOTE 3 - DETAILED NOTES (CONTINUED)

INVESTMENTS

Authorized Investments

The Agency's investments are categorized as investments for the Agency as a whole (hereinafter referred to as "general Agency investments"). The Agency is authorized by statute and policy to invest public funds (general Agency investments) in interest-bearing savings accounts, money market accounts and checking accounts, obligations of the United States government, its agencies and instrumentalities; certificates of deposit that are fully insured and collateralized; high-grade commercial paper, repurchase agreements having a defined termination date and collateralized by U.S. Treasury obligations; and Local Government Surplus Trust Funds, as administered by the Florida State Board of Administration (the "SBA"). The Agency invested funds throughout the year in the Florida PRIME, which is not Securities and Exchange Commission ("SEC") registered, but which qualifies as a fluctuating net asset value ("NAV") pool. The Agency's investment in the SBA Florida PRIME at September 30, 2024 represented less than 1% of the total investment assets of the SBA. The Community Redevelopment Agency of Deerfield Beach invests in the pool, the value of the Agency's position is the same as the value of the pool shares and is recorded at amortized cost. At September 30, 2025, the Agency's investments equaled $3,018,110.

In accordance with GASB Statement No. 79, C*ertain External Investment Pools and Pool Participants*, the Agency's investments in the Florida PRIME meets the definition of a qualifying investment pool that measures, for financial reporting purposes, all of its investments at amortized cost and should disclose the presence of any limitations or restrictions on withdrawals. As of September 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

The Florida Municipal Investment Trust (the "Trust") (as administered by the Florida League of Cities) is an authorized investment under Section 218.415(115), Florida Statutes, for units of local government in Florida. The operation and administration of the Trust is the responsibility of its Board of Trustees, who are selected from the ranks of elected officials of governmental entities participating in the Trust. The fair value of the Agency's position in the Trust is the same as the value of the pool share.

The overriding objectives of the Agency's investment policy are preservation of its principal investment, while providing for liquidity and maximization of investment income.

NOTE 3 - DETAILED NOTES (CONTINUED)

INVESTMENTS (CONTINUED)

Authorized Investments (continued)

As of September 30, 2025, the Agency had the following investments:

Investment in Florida PRIME	$ 1,517,716
Money market funds	772,545
U.S. government and agency securities	727,849
Total	$ 3,018,110

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. In accordance with the Agency's investment policy, the Agency minimizes the interest rate risk of investments in the portfolio by placing limitations on the duration of such investments. With the exception of funds reserved for capital projects, all of the Agency's general investments shall be limited to instruments maturing within two years of purchase. This ensures that securities mature to meet cash requirements for operations, thereby avoiding the need to sell securities in the open market prior to maturity.

Information about the sensitivity of the fair values of the Agency's investments to market interest rate fluctuations is provided by the following tables that shows the distribution of the Agency's investments by maturity at September 30, 2025:

(CRA General Investments)		Maturities (in Years)	
Investment Type	Value	Less Than 1	1 - 5
Florida PRIME	$ 1,517,716	$ 1,517,716	$ --
Money market funds	772,545	772,545	--
U.S. government and agency securities	727,849	69,757	658,093
Total	$ 3,018,110	$ 2,360,017	$ 658,093

NOTE 3 - DETAILED NOTES (CONTINUED)

INVESTMENTS (CONTINUED)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization ("NRSRO"). State law limits investments in commercial paper and corporate bonds to the top 3 ratings issued by NRSROs. All Treasury obligations are guaranteed by the good faith and credit of the United States and are therefore not subject to credit risk. The amounts held in the Florida PRIME are rated by Standard and Poor's.

Concentration of Credit Risk

The Agency limits its investments in any one issuer to no more than 5% of total investments, except for investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments, which are excluded from this requirement. There were no individual investments that represented 5% or more of the Agency's total investments at September 30, 2025.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the CRA will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With the exception of the investments with the SBA, all of the Agency's general investments were held by the Agency's custodial bank and were registered in the Agency's name as of year-end.

Fair Value Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The CRA categorizes its fair value measurements with the fair value hierarchy established by GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

NOTE 3 - DETAILED NOTES (CONTINUED)

INVESTMENTS (CONTINUED)

Fair Value Hierarchy (continued)

Level 1 - Investments traded in an active market with available quoted prices for identical assets as of the reporting date.

Level 2 - Inputs to the valuation methodology are based upon observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3 - Inputs to the valuation methodology are based upon unobservable inputs.

		Fair Value Measurements Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt securities:				
U.S. government and agency securities	$ 727,849	$ 727,849	$ --	$ --
Total Investments by Fair Value Level	727,849	$ 727,849	$ --	$ --
Money market funds (exempt)	772,545			
Florida PRIME (exempt)	1,517,716			
Total Investments	$ 3,018,110			

NOTE 3 - DETAILED NOTES (CONTINUED)

RECEIVABLES AND PAYABLES

The Community Redevelopment Agency ("CRA") receivables at September 30, 2025 were as follows:

Receivables	
Interest	$ 9,772
Net Receivables	$ 9,772

Accounts payable at September 30, 2025 were as follows:

	Vendors	Retainage	Total Payables
Governmental Activities and Operating Fund			
Community Redevelopment Agency	$ 463,025	$ 20,202	$ 483,227

CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended September 30, 2025:

	Beginning Balance	Increases	Decreases	Total
Governmental Activities				
Capital assets not being depreciated:				
Construction in progress	$ 4,632,649	$ 5,019,281	$ 950,791	$ 8,701,139
Capital assets being depreciated:				
Buildings	552,472	1,265,422	--	1,817,894
Improvements	2,985,791	--	282,382	2,703,409
Less: accumulated depreciation for:				
Buildings	82,873	45,248	--	128,121
Improvements	140,265	93,214	--	233,479
Total capital assets being depreciated, net	3,315,125	1,126,960	--	4,159,703
Governmental Activities Capital Assets, Net	$ 7,947,774	$ 6,146,241	$ 950,791	$ 12,860,842

NOTE 3 - DETAILED NOTES (CONTINUED)

CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities	
Economic environment	$ 138,462
Total Depreciation Expense - Governmental Activities	$ 138,462

LONG-TERM DEBT

Governmental Activities Debt

- *Covenant Bonds*, Series 2012B-1 – The original amount of this issue was $20,090,000. The Agency is responsible for 73% of the debt. The proceeds of this bond issue were to repay previously issued debt as well as to finance the construction of parks and right of way improvements, in addition to street improvements. The interest rates on these bonds range from 2.00% to 4.00%. Principal is due annually on October 1st and interest is payable semiannually on April 1st and October 1st, with the final maturity date being October 1, 2032. The Agency is responsible for 73% of the principal and interest payments. The remaining 73% portion of outstanding bonds of this issue total $5,145,000 with total interest payable of $408,908 over the remainder of the term of the bonds. For the current year, principal and interest of $1,149,159 was paid by the Agency.

- Covenant bonds are limited obligations of the CRA, payable solely from non-ad valorem revenues set aside by the Agency in its annual budget. In the event of default, the payment of principal and interest, owners of the bonds shall have remedies as specified by the federal bankruptcy code, the bond indenture of and any bond policy insurance.

NOTE 3 - DETAILED NOTES (CONTINUED)

LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended September 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
Covenant bonds	$ 4,195,000	$ --	$ 980,000	$ 3,215,000	$ 1,010,000
Total Governmental Activities					
Long-Term Liabilities	$ 4,195,000	$ --	$ 980,000	$ 3,215,000	$ 1,010,000

SUMMARY OF ANNUAL DEBT SERVICE REQUIREMENTS

The annual debt service requirements to maturity for debt outstanding as of September 30, 2025 were as follows:

For the Year Ended September 30,	Governmental Activities Debt Covenant Bonds		
	Principal	Interest	Total
2026	$ 1,010,000	$ 82,756	$ 1,092,756
2027	1,040,000	52,006	1,092,006
2028	1,070,000	19,687	1,089,687
2029	95,000	1,484	96,484
Total	$ 3,215,000	$ 155,933	$ 3,370,933

NOTE 4 - OTHER INFORMATION

RESTRICTED ASSETS

The amounts shown below are those assets restricted by sources external to the Agency. Ordinances and bond covenants pertaining to long-term debt and other agreements require segregation and restriction of certain assets represented by the following amounts as of September 30, 2025:

Governmental Activities	
Community Redevelopment Agency	$ 5,073,079
Total Governmental Activities Restricted Assets	$ 5,073,079

RESTRICTED NET POSITION

Restricted net position in the government-wide statements include the following:

Purpose	
Improvements to and programs with the Community Redevelopment Agency	$ 5,073,079
Total Restricted Net Position - Governmental Activities	$ 5,073,079

NOTE 4 - OTHER INFORMATION (CONTINUED)

COMMUNITY REDEVELOPMENT AGENCY

Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from, the Community Redevelopment Agency's funds for the fiscal year ended September 30, 2025:

	Deposits	Withdrawals
Source of Deposits		
Tax incremental revenues	$ 6,156,964	$ --
Investment income	128,085	--
Intergovernmental	324,614	--
Purpose of Withdrawals		
Debt service - principal and interest	--	1,149,159
Other contractual	--	103,249
Administrative and overhead	--	1,243,601
Economic development	--	7,260,268
Total	$ 6,609,663	$ 9,756,277

NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS

PLAN DESCRIPTION

Benefit Description and Funding Policy

The City of Deerfield Beach's Retiree Health Care Plan (the Plan) is a single employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue health and life insurance coverage as a participant in the City's plan. For purpose of applying Paragraph 4 under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the Plan does not meet the requirements for an OPEB plan administered through a trust.

NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

PLAN DESCRIPTION (CONTINUED)

Benefit Description and Funding Policy (continued)

Pursuant to Section 112.0801, Florida Statutes, general employees, who retire from the City may continue their participation in a City-sponsored health and/or dental insurance plan at the same premiums applicable to active employees. Since retiree claims are expected to result in higher costs to the plan, on average, than those for active employees on an actuarial basis, there is an implicit subsidy included in the premiums for the retirees.

The Agency's Executive Director is eligible for participation in the City's OPEB Plan. The agency and the City account for postemployment health care benefits provided, in accordance with GASB Statement No. 75. The below is taken directly from the City's audited financial statements. As of September 30, 2025, the OPEB plan covered 399 active members and 168 retires. As such, the Agency has presented their proportionate share of the City's total OPEB liability as of September 30, 2025.

Investments. The OPEB plan does not have a formal investment policy. The City uses the Pay-As-You-Go-Approach of funding to provide benefits to participants of the OPEB plan.

Benefits. Benefit provisions and City contribution requirements are established and may be amended by the City Commission. The City currently provides direct subsidies for certain retirees by paying a portion of the retiree's premium for individual coverage.

Employees Covered by benefit terms. As of September 30, 2025, the Agency had three employees participating in the plan.

DISCOUNT RATE AND SENSITIVITY

Discount Rate

The City's OPEB plan does not have a GASB compliant trust; therefore, the discount rate equals the tax exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

A discount rate of 4.06% was used to measure the September 30, 2025 Total OPEB Liability. A discount rate of 4.06% was used for the beginning of the measurement period. These rates are based on the Fidelity 20-Year Municipal GO AA Index - daily rate closest or equal to but not later than the respective measurement dates.

NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

DISCOUNT RATE AND SENSITIVITY (CONTINUED)

Discount Rate (continued)

Sensitivity of the Total OPEB Liability to the Discount Rate Assumption

The chart below represents the agency's share of the City's total OPEB liability calculated using the 4.06% discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.06%) or 1-percentage point higher (5.06%) than the current rate.

	Measurement Date: September 30, 2024		
	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	3.06%	4.06%	5.06%
Total OPEB Liability	$ 235,796	$ 205,373	$ 180,895

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption

The chart below represents the total OPEB liability of the agency, calculated using the 4.0% to 6.75%, as well as what the total OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower (3.0% to 5.75%) or 1 percentage point higher (5.0% to 7.75%) than the current rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Discount Rate	3.0% to 5.75%	4.0% to 6.75%	5.0% to 7.75%
Total OPEB Liability	$ 185,003	$ 205,373	$ 230,698

NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The Total OPEB Liability was determined based on several actuarial assumptions using the Actuarial Cost Method. Total OPEB liability was calculated by an actuarial valuation as of September 30, 2024, with a measurement date of September 30, 2024, using the following assumptions, applied to all prior periods included in the measurement:

Measurement date	September 30, 2024
Actuarial valuation date	September 30, 2024
Inflation	2.50%
Salary increases	6%
Discount rate	4.06%
Healthcare cost trend rates	4.0% to 6.75% based on the Getzen Model
Retirees' share of benefit-related costs	Retirees pay various portions of full blended premium for individual coverage

Discount rate - based on the Fidelity 20-Year Municipal GO AA Index

Mortality rates - Mortality rates were based on the Pub-2010 mortality tables with fully generational improvements using Scale MP-2021.

OPEB EXPENSE (INCOME) AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO OPEB

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Reporting Date.

OPEB Expense (Income) for Fiscal Year Ended September 30, 2025	$	(3,840)

NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB EXPENSE (INCOME) AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO OPEB (CONTINUED)

For the fiscal year ended September 30, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ --	$ 29,888
Changes of assumptions	6,073	54,450
Employer contributions subsequent to measurement date	9,031	--
Total	$ 15,104	$ 84,338

The deferred outflows of resources associated with the CRA's contribution subsequent to the measurement date of September 30, 2024 in the amount of $9,031 will be recognized as a reduction of the total OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

For the Year Ended September 30,	Total
2026	$ (20,299)
2027	(17,118)
2028	(17,118)
2029	(12,148)
2030	(11,582)
Total	$ (78,265)

REQUIRED SUPPLEMENTARY INFORMATION

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE
OF THE TOTAL OPEB LIABILITY

Measurement Date, September 30th	2024	2023	2022	2021	2020	2019
Agency's proportion of the total OPEB liability	$ 205,373	$ 259,051	$ 247,187	$ 265,877	$ 270,206	$ 320,481
Agency's proportion of the total OPEB liability	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Agency's covered employee payroll	$ 364,198	$ 296,110	$ 267,347	$ 295,567	$ 260,358	$ 261,047
Agency's proportionate share of the total OPEB liability as a percentage of the covered employee payroll	56.39%	87.48%	92.46%	89.95%	103.78%	122.77%

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Deerfield Beach, Florida)

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
(UNAUDITED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		(Budgetary Basis) Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	$ 6,168,117	$ 6,168,117	$ 6,156,964	$ (11,153)
Investment earnings	--	--	128,085	128,085
Intergovernmental	3,360,804	3,360,804	324,614	(3,036,190)
Total Revenues	9,528,921	9,528,921	6,609,663	(2,919,258)
Expenditures				
Current:				
Economic environment	1,866,193	1,866,193	1,263,162	603,031
Public safety	110,000	110,000	83,688	26,312
Culture and recreation	290,000	290,000	195,725	94,275
Capital outlay	10,463,353	10,463,353	5,019,281	5,444,072
Debt service:				
Principal retirement	980,000	980,000	980,000	--
Interest and fiscal charges	117,933	117,933	169,159	(51,226)
Total Expenditures	13,827,479	13,827,479	7,711,015	6,116,464
Excess Deficiency of Revenues Over Expenditures	(4,298,558)	(4,298,558)	(1,101,352)	(3,197,206)
Other Financing Sources (Uses)				
Loan proceeds	2,000,000	2,000,000	--	2,000,000
Transfers out	(2,045,262)	(2,045,262)	(2,045,262)	--
Appropriation of prior years' fund balance	4,343,820	4,343,820	--	4,343,820
Total Other Financing Sources (Uses)	4,298,558	4,298,558	(2,045,262)	4,343,820
Change in Fund Balance	$ --	$ --	(3,146,614)	$ 1,146,614
Fund Balance - Beginning			8,219,693	
Fund Balance - Ending			$ 5,073,079	

See notes to required supplementary information.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

The Agency adopts an annual operating budget on a non-GAAP basis for the Operating Fund. Budgets are legally adopted for the Agency. The level of budgetary control is the department. The CRA Board is authorized to transfer budgeted amounts within departments. Revisions increasing or decreasing the total budget for a department or fund require CRA Board approval.

For budgetary control purpose, encumbrance accounting is utilized, whereas purchase orders, contracts and other financial commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as appropriations of the fund balance, since they do not constitute expenditures or liabilities. Unless encumbered by a purchase order, the budget appropriations lapse at the end of each year.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule is prepared on the basis of accounting used in preparing the appropriated budget. As a result, the revenue and expenditures reported in the budgetary comparison schedule for the CRA agree with that reported on the GAAP basis. As required by GAAP, for financial statement reporting, a portion of the transfer out on page 40 (budgetary basis), represents transfers out to the City in the amount of $2,045,262 which are reported as economic environment expenditures on page 16.

REPORTING SECTION

CBIZ CPAs P.C.

201 East Las Olas Boulevard
21st Floor
Fort Lauderdale, FL 33301

P: 954.320.8000

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

To the Board of Directors and CRA Director
Deerfield Beach Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *("Government Auditing Standards")*, the financial statements of the governmental activities and the major fund of the Deerfield Beach Community Redevelopment Agency (the "CRA or Agency"), a component unit of the City of Deerfield Beach, Florida, as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated June 5, 2026.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

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

Our consideration of internal control 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.

Report on Compliance and Other Matters

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

Purpose of this Report

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

CBIZ CPAs P.C.

Fort Lauderdale, Florida
June 5, 2026

CBIZ CPAs P.C.

201 East Las Olas Boulevard
21st Floor
Fort Lauderdale, FL 33301

P: 954.320.8000

Management Letter in Accordance with the Rules of the Auditor General of the State of Florida

To the Board of Directors and CRA Director
Deerfield Beach Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Deerfield Beach Community Redevelopment Agency (the "CRA"), a component unit of the City of Deerfield Beach, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 5, 2026.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 5, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made 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. This information is disclosed in Note 1 of 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 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. The financial condition assessment was performed as of the fiscal year end.

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) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the CRA's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2025, the PACE program did not operate within the CRA's geographical boundaries.

Special District Component Units

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

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 CRA reported:

a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as two (2) full time employees and one (1) part time employee.
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as 0.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $364,198.
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $0.
e. Each construction project with a total cost of at least $65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as: none noted.
f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes, if any, as noted on page 40.

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 is 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, the CRA Board, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CBIZ CPAs P.C.

Fort Lauderdale, Florida
June 5, 2026

CBIZ CPAs P.C.

201 East Las Olas Boulevard
21st Floor
Fort Lauderdale, FL 33301

P: 954.320.8000

Independent Accountant's Report on Compliance Pursuant to Section 218.415, 163.387(6) and 163.387(7), Florida Statutes

To the Board of Directors and CRA Director
Deerfield Community Redevelopment Agency

We have examined the Deerfield Community Redevelopment Agency's (the "CRA or Agency"), a component unit of the City of Deerfield Beach, Florida, compliance with Section 218.415, Florida Statutes, Local Government Investment Policies for the fiscal year ended September 30, 2025. We also examined the CRA's compliance with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2025. Management of the CRA is responsible for the CRA's compliance with the specified 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 of the CRA 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 CRA's compliance with the specified requirements.

In our opinion, the CRA complied, in all material respects, with Sections 218.415, 163.387(6) and 163.387(7), Florida Statutes, for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with aforementioned sections of the Florida Statutes, and it is not suitable for any other purpose.

CBIZ CPAs P.C.

Fort Lauderdale, Florida
June 5, 2026