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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
City of Clermont, Florida
Community Redevelopment Agency
City of Clermont, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the City of Clermont, Florida, Community Redevelopment Agency (the Agency), a component unit of the City of Clermont, Florida, 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 the major fund of the Agency as of September 30, 2024, and the respective changes in financial position 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.

Emphasis of Matter

Reporting Entity

As discussed in Note 1, the financial statements of the entity are intended to present the financial position and the changes in financial position of only the Agency. They do not purport to, and do not, present fairly the financial position of the City of Clermont, Florida, as of September 30, 2024, the changes in its financial position for the year then ended in conformity in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 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.

Orlando, Florida
June 30, 2025

City of Clermont, Florida Community Redevelopment Agency Management Discussion and Analysis

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

Financial Highlights

- The assets of the Agency exceeded its liabilities at September 30, 2024 by \$1,085,662 (net position). All of this amount is restricted for community redevelopment.
- The Agency's total net position increased by \$471,051 (or 77%).
- At September 30, 2024, the Agency's governmental funds reported ending fund balances of \$1,085,662. Of this amount \$1,084,821 is restricted for the purpose of community redevelopment.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Agency's basic financial statements. The Agency'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 Agency's financial position, in a manner similar to a private-sector business. They include a *Statement of Net Position* and a *Statement of Activities*.

The *Statement of Net Position* presents information on all of the Agency's assets and liabilities and deferred inflows/outflows of resources, with the difference 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 Agency is improving or deteriorating.

The *Statement of Activities* presents information showing how the Agency'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 and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Agency that are principally supported by taxes and intergovernmental revenues (*governmental activities*).

The government-wide financial statements include only the Agency itself (known as the *primary government*).

City of Clermont, Florida
Community Redevelopment Agency Management
Discussion and Analysis (Continued)

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 Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The general fund of the Agency is categorized as a governmental fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, *governmental fund* financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Agency'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 Agency adopts an annual appropriated budget for the general fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 11-12 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 financial statements can be found on pages 13 – 24 of this report.

**City of Clermont, Florida
Community Redevelopment Agency Management
Discussion and Analysis (Continued)**

Government-Wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by \$1,085,662 at the close of the most recent fiscal year. All of the Agency's net position is subject to external restrictions as to how it may be used.

The following table reflects the condensed statement of net position for the current and prior year. For more detail see the Statement of Net Position on page 9.

<i>September 30,</i>	2024	2023
Current and other assets	\$ 1,103,028	\$ 626,434
Total assets	\$ 1,103,028	\$ 626,434
Current liabilities	\$ 17,366	\$ 11,823
Total liabilities	17,366	11,823
Net position:		
Restricted	1,085,662	614,611
Total net position	\$ 1,085,662	\$ 614,611

City of Clermont, Florida
Community Redevelopment Agency Management
Discussion and Analysis (Continued)

Statement of Activities

The following table reflects the condensed *Statement of Activities* for the current year and prior year. For more detailed information see the *Statement of Activities* on page 10. Note that the government's total net position increased by \$471,051 or 77% in fiscal year 2024. For the previous fiscal year, net position increased by \$108,291.

<i>For the year ended September 30,</i>	2024	2023
Revenues:		
Governmental activities:		
General revenues:		
Tax increment revenues	\$ 754,960	\$ 653,261
Investment income	43,438	14,040
Total revenue	798,398	667,301
Expenses:		
General government	327,347	559,010
Total expenses	327,347	559,010
Change in net position	471,051	108,291
Net position, beginning of year	614,611	506,320
Net position, end of year	\$ 1,085,662	\$ 614,611

Revenues increased by \$131,097 from the previous year and total expenses decreased \$231,663. The increased revenues were primarily due to increased property values, despite a reduction in the millage rate. The decreased expenses during 2024 were due to decreased capital projects and the elimination of personnel expenditures within the Agency.

**City of Clermont, Florida
Community Redevelopment Agency Management
Discussion and Analysis (Continued)**

Financial Analysis of the Agency's Funds

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

Governmental Funds

The focus of the Agency's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency'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 September 30, 2024, the Agency's governmental fund reported an ending fund balance of \$1,085,662 an increase of \$471,051 in comparison with the prior year due to increase in funding, as well as not spending as expected for projects.

General Fund Budgetary Highlights

During the year revenues were more than budgetary estimates by \$360,905. However, when factoring in other financing sources the variance was less than \$10,000.

The original general fund appropriations decreased primarily due to decreases in planned capital expenditures.

The comparison of budgeted results to actual results for the general fund is shown on page 25.

Requests for Information


This financial report is designed to provide a general overview of the Agency of Clermont's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the office of the Finance Director, City of Clermont, P.O. Box 120219, Clermont, Florida 34712.

BASIC FINANCIAL STATEMENTS

CLERMONT

 COMMUNITY

 REDEVELOPMENT

 AGENCY



**City of Clermont, Florida
Community Redevelopment Agency
Statement of Net Position - Government-wide**

<i>September 30, 2024</i>	Governmental Activities
Assets	
Cash and cash equivalents	\$ 781,206
Investments	319,962
Other receivables	1,019
Prepaid items	841
Total assets	1,103,028
Liabilities	
Accounts payable and accrued expenses	17,366
Total liabilities	17,366
Net Position	
Restricted for:	
Community development	1,085,662
Total net position	\$ 1,085,662

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

City of Clermont, Florida
Community Redevelopment Agency
Statement of Activities - Government-wide

For the year ended September 30, 2024

	Program Revenues				Net (Expense) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/Programs					
Governmental activities:					
General government	\$ 327,347	\$ -	\$ -	\$ -	(327,347)
Total governmental activities	\$ 327,347	\$ -	\$ -	\$ -	(327,347)

General revenues	754,960
Tax increment financing	39,178
Interest income	4,260
Investment earnings	798,398
Total general revenues	471,051
Change in net position	614,611
Net position, beginning of year	1,085,662
Net position, end of year	\$ 1,085,662

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

**City of Clermont, Florida
Community Redevelopment Agency
Balance Sheet – Governmental Fund**

September 30, 2024

General Fund

Assets

Cash and cash equivalents	\$ 781,206
Investments	319,962
Other receivables	1,019
Prepaid items	841

Total assets **\$ 1,103,028**

Liabilities

Accounts payable and accrued expenses	\$ 17,366
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Total liabilities **17,366**

Fund balance

Nonspendable	841
Restricted	1,084,821

Total fund balance **1,085,662**

Total liabilities and fund balance **\$ 1,103,028**

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

City of Clermont, Florida
Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance –
Governmental Fund

<i>For the year ended September 30, 2024</i>	General Fund
Revenues	
Taxes increment financing	\$ 754,960
Interest Income	39,178
Investment earnings	4,260
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Total revenues	798,398 - 11
Expenditures	
Current	
General government	327,347
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Total expenditures	327,347 12
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Net change in fund balance	471,051 -
Fund balance, beginning of year	614,611
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Fund balance, end of year	\$ 1,085,662
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The accompanying notes are an integral part of this financial statement.

**City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Clermont, Florida, Community Redevelopment Agency (Agency), a public body was established in May, 1997. Pursuant to the requirements of Chapter 163, Part III of Florida Statutes, the City of Clermont, Florida (the City) with the consent of Lake County, created the Agency and designated the Redevelopment Area to foster improvement activities in Clermont. The Agency uses future tax increment revenues to fund a variety of improvement projects.

The Redevelopment Plan for the City is intended to formulate and implement a strategy for the Agency, for the comprehensive and coordinated revitalization of the City's Redevelopment Area (CRA) which encompasses the entire extent of the City limits. In 2015, the City expanded the CRA and passed Ordinance No. 2015-77 and modification of the Community Redevelopment Plan was approved.

The Community Redevelopment Act (Florida Statutes, Chapter 163, Part III), as adopted by the Florida Legislature, provides the legislative authority for local governments to use creative approaches to redevelopment of unused or underutilized property within their communities. The Act primarily focuses upon overcoming the burdens of deteriorated, older areas of a community by outlining a comprehensive program to provide the legal framework and financing mechanisms for local government's use to arrest the deterioration and encourage redevelopment of those 'blighted' areas.

The funds shall be used by the Agency to finance or refinance any community redevelopment the Agency undertakes in the designated Area pursuant to the approved community redevelopment plan.

The Agency is a component unit of the City of Clermont, Florida (City) for financial reporting purposes; the Agency has no component units that meet the criteria for inclusion in the Agency's basic financial statements. The governing board of the Agency consists of five members of the Clermont City Council and two individuals appointed by the City Council.

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 non-fiduciary activities of the government. Governmental activities are those which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions. The Agency does not engage in any business-type activities.

City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements

Note 1: 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 are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and reporting policies of the Agency relating to the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB).

Measurement focus refers to what is being measured. Basis of accounting refers to the process of revenues and expenditures being recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made regardless of the measurement focus applied.

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 the liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within ninety days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental fund. Issuance of long-term debt and acquisitions under finance leases are reported as other financing sources. Taxes associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Fund Financial Statements

The Agency has only one major governmental fund reported in the basic financial statements, the general fund. The general fund is the general operating fund of the Agency. It is used to account for all financial resources. When both restricted and unrestricted resources are available for use, it is the government's policy to use unrestricted resources first for qualifying expenditures, then restricted resources as they are needed.

Deposits and Investments

Cash and Cash Equivalents

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.

Investments

Deposits available within various funds of the Primary Government were consolidated for investment purposes. Substantially all deposits of the Primary Government at September 30, 2024, were invested using the pooled investment concept. Interest earned was allocated monthly to the Agency based on its month ending cash and investment balances in proportion to the Primary Government.

Investments for the Agency are reported at fair value for the position in the investment pool. The Florida Public Assets for Liquidity Management external investment pool meets all of the specified criteria in Section 150: *Investments* of the GASB Codification to qualify to elect to measure its investments at amortized cost. Accordingly, the fair value of the Agency's position in the pool is equal to the value of the pooled shares.

City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and investments (Continued)

Investments (Continued)

The Agency is empowered by statute to invest in the following instruments and may divest itself of such investments, at prevailing market prices or rates subject to the limitations of Section 218.415 – a) the Local Government Surplus Funds Trust Fund, administered by the Florida State Board of Administration or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01, Florida Statutes; b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; c) savings accounts in state-certified qualified public depositories, as defined in Florida Statute 280.02; d) certificates of deposits and Repurchased Agreements in state-certified qualified public depositories, as defined in Florida Statute 280.02; e) direct obligation of the U.S. Treasury; and f) Federal agencies and instrumentalities.

Banks and savings and loans in which Agency funds are deposited must be classified as a qualified public depository as defined in the *Florida Security for Public Deposits Act*, Chapter 280, Florida Statutes, before any deposits are made with those institutions.

Accounts Receivable

Accounts receivable consist of account balances less than forty-five days overdue. As of September 30, 2024, the Agency did not have any accounts receivable.

Allowance for doubtful accounts will be reported net of the allowance for doubtful accounts. Accounts receivable in excess of 120 days are subject to being considered as uncollectible. As of September 30, 2024, the Agency did not have any uncollectible amounts.

Inventory and prepaid items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded using the consumption method of accounting. Under the consumption method, services paid for in advance are reported as an asset until the period in which the services are consumed.

**City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include property, plant and equipment, intangible and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Agency as assets with an initial cost of more than \$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. Any assets purchased with Agency funds are transferred to the City upon acquisition or upon completion of construction or renovation. As a result, the Agency does not own any capital assets at September 30, 2024. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend asset lives are not capitalized.

Transfers

Transfers with primary government are for services provided and netted as part of the reconciliation to the government-wide presentation. As of September 30, 2024, the Agency had no transfers with the primary government.

Long-term Obligations

In the government-wide financial statements, long-term debt is reported as liabilities in the applicable governmental activities statement of net position. As of September 30, 2024, the Agency had no long-term debt obligations.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditures) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues that are deferred and recognized as an inflow of resources in the period that the amounts become available. As of September 30, 2024, the Agency had no deferred outflows or inflows of resources.

City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Net Position and Fund Balance

Net position flow assumptions – Sometimes the Agency will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions – Sometimes the Agency will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of the governmental fund is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Agency itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

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

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Net Position and Fund Balance (Continued)

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Agency’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the Agency that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Agency for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the Agency manager to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Revenues

The Agency’s primary source of revenue is tax-increment funds. This revenue is computed by applying the respective operating tax rates for the City and Lake County, Florida (the County) multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency in excess of the base property value less 5%. The City, County and Lake County Water Authority are required to fund the amount annually by January 1 of each year without regard to tax collections or other obligations.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 30, 2025, and determined that there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The Government Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures*. This Statement was issued in December 2023 to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement defines concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

**City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. Statement 102 will be effective for the fiscal year ending September 30, 2025.

GASB Statement 103, Financial Reporting Model Improvements. This Statement was issued April 2024 to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

This establishes new accounting and financial reporting requirements—or modifies existing requirements—related to Management's discussion and analysis (MD&A); unusual or infrequent items; presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. This Statement will supersede and amend portions of GASB Statements 34 and 37. This Statement further amends portions of GASB Statements 14, 41, 42, 44, 49, 56, 58, 61, 62 and 69. Related guidance will also be superseded or amended upon implementation. Statement 103 will be effective for the fiscal year ending September 30, 2026.

GASB Statement 104, Disclosure of Certain Capital Assets. This Statement was issued September 2024 to provide users of government financial statements with essential information about certain types of capital assets.

City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

This requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. Statement 104 will be effective for the fiscal year ending September 30, 2026.

The Agency is currently evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and investments

The Agency pools its deposits with the Primary Government. At September 30, 2024, the Agency's carrying amount of cash deposits was \$781,206. As of September 30, 2024, \$250,000 of the Agency's bank balance was covered by Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Agency pursuant to Section 280.08, Florida Statutes.

City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and investments (Continued)

The investment program is established in accordance with the City's investment policy, pertinent bond resolutions and Section 218.415, Florida Statutes, which allows the Agency to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

The Florida Public Assets for Liquidity Management (FL Palm) is a common law trust organized under the laws of the State of Florida as an intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes. At September 30, 2024, the Agency's share of FL Palm was \$319,962. The fair value of the Agency's position in the pool is equal to the value of the pooled shares or net asset value.

Under GASB Codification I50: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the Agency's access to 100 percent of their account value in the external investment pool.

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution, a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the City places its deposits are certified as "qualified public depositories," as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The City's investment policy does not specifically address interest rate risk, however, the general investment policy is to apply the prudent-person rule, which states investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. The City manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

**City of Clermont, Florida
Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and investments (Continued)

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations.

The City's investment policy limits investments to securities with specific ranking criteria.

Foreign currency risk – The City's investments are not exposed to foreign currency risk and the City's investment policy does not address foreign currency risk.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The City's investment policy does not address concentration risk.

Note 3: COMMITMENTS AND CONTINGENCIES


The Agency is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency purchases commercial insurance for the risks of loss to which it is exposed. Policy limits and deductibles are reviewed by management and established at amounts to provide reasonable protection from significant financial loss. The Agency is involved in legal actions and claims arising in the normal course of business. After taking into consideration legal counsel's evaluations of such actions, management is of the opinion that their outcome will not have a significant effect on the Agency's financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CLERMONT

 COMMUNITY

 REDEVELOPMENT

 GENCY



**City of Clermont, Florida
Community Redevelopment Agency
Schedule of Revenues, Expenditures and
Changes in Fund Balance – General Fund**

<i>For the year ended September 30, 2024</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes increment financing	\$ 754,433	\$ 403,493	\$ 754,960	\$ 351,467
Interest Income	2,000	34,000	39,178	5,178
Intergovernmental	-	-	4,260	4,260
Total revenues	756,433	437,493	798,398	360,905
Expenditures				
Current:				
General government	1,314,356	788,959	327,347	461,612
Total expenditures	1,314,356	788,959	327,347	461,612
Excess (deficit) of revenues over expenditures	(557,923)	(351,466)	471,051	822,517
Other financing sources				
Transfers in	-	351,466	-	(351,466)
Total other financing sources	-	351,466	-	(351,466)
Net change in fund balance	(557,923)	-	471,051	471,051
Fund balance, beginning of year	614,611	614,611	614,611	-
Fund balance, end of year	\$ 56,688	\$ 614,611	\$ 1,085,662	\$ 471,051

The Budget is prepared on a modified accrual basis consistent with accounting principles generally accepted in the United States of America (GAAP). Please refer to the Management Discussion and Analysis for further analysis of budget to actual activity.

**City of Clermont, Florida
Community Redevelopment Agency
Budgetary Notes to Required Supplementary Information**

Note 1: BUDGETARY INFORMATION

The Agency follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to the end of the fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Budget workshops are scheduled as needed.
- The general summary of the budget and notice of public hearing is published in the local newspaper.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to October 1, the budgets are legally enacted through passage of a resolution.
- A separate Agency board meeting is also held to approve the budget.
- The City Manager is authorized to transfer budgeted amounts within departments; however, any revisions that alter the total appropriations of any department must be approved by the City Council.
- The level of classification detail at which expenditures may not legally exceed appropriations is the department level.
- Appropriations lapse at the close of the fiscal year to the extent they have not been expended. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.
- Budgets are adopted for the general fund on a basis consistent with generally accepted accounting principles, except as described below under Budget Basis of Accounting.
- The City Council, by Ordinance or Resolution, may make supplemental appropriations in excess of those originally estimated for the year up to the amount of available revenues. Budgeted amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions.

Budgetary Basis of Accounting

The Agency includes a portion of the prior year's fund balances represented by unappropriated liquid assets remaining in the fund as budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures. The Agency does not budget for capital outlay expenditures and other financing sources related to the acquisition of assets through notes payable.



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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*

Honorable Mayor and Council
City of Clermont, Florida
Community Redevelopment Agency
City of Clermont, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Clermont, Florida, Community Redevelopment Agency (the Agency), a component unit of the City of Clermont, Florida, 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 June 30, 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 were not 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.

Orlando, Florida

June 30, 2025



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INDEPENDENT AUDITOR’S MANAGEMENT LETTER

The Honorable Mayor and Council
 City of Clermont, Florida
 Community Redevelopment Agency
 City of Clermont, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Clermont, Florida, Community Redevelopment Agency (the Agency), a component unit of the City of Clermont, Florida as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 30, 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* and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 30, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have not been taken as noted below:

Tabulation of Uncorrected Audit Findings		
Current Year	2022-23 FY	2021-22 FY
Finding #	Finding #	Finding #
Corrected	23-01	22-01
2024-02	23-02	22-02
2024-01	N/A	N/A

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the City of Clermont, Florida, Community Redevelopment Agency is disclosed in the footnotes. The City of Clermont, Florida, Community Redevelopment Agency has no component units.

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 City of Clermont, Florida, Community Redevelopment Agency 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 City of Clermont, Florida, Community Redevelopment 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 for the City of Clermont, Florida, Community Redevelopment Agency. It is management’s responsibility to monitor the City of Clermont, Florida, Community Redevelopment 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.

Specific Information (unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7-9, Rules of the Auditor General, the City of Clermont, Florida, Community Redevelopment Agency reported the information below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

- a. The total number of Agency employees compensated in the last pay period of the Agency’s fiscal year as: **None**

- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency’s fiscal year as: **None**

- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: **\$2,765**

- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: **\$116,579**
- 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 following fiscal year being reported, together with the total expenditures for such projects as: **None, \$0**
- 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: **See Page 25**

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

- a. The millage rate or rates imposed by the Agency: **4.8800**
- b. The total amount of ad valorem taxes collected by or on behalf of the Agency: **\$754,960**
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds: **None**

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General: The City of Clermont, Florida, Community Redevelopment Agency has not imposed any special assessments and therefore no reporting is required by Section 218.39(3), Florida Statutes.

Property Assessed Clean Energy (PACE) Programs (Unaudited)

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we noted the following:

In connection with our audit, the Agency did not submit its annual budget or amended budget for fiscal year 2024 to the Lake County Board of County Commissioners within 10 days after the adoption of such budget (Finding 2024-01).

In addition, the Agency did not take the required continuing education courses by the designated individual as required by the City's investment policy and Florida Statute 218.415 (Finding 2024-02).

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Agency's Board Members, 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.

Orlando, Florida
June 30, 2025



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INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

The Honorable Mayor and Council
City of Clermont, Florida
Community Redevelopment Agency

We have examined the City of Clermont, Florida, Community Redevelopment Agency’s (the Agency), a component unit of the City of Clermont, Florida, compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency’s compliance with the specified 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 AICPA. 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024, except as noted below.

- 2024-02 The Agency did not take the required continuing education courses by the designated individual as require by the City’s investment policy and Florida Statute 218.415.

This report is intended solely for the information and use of the Agency's Board, 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.

Orlando, Florida
June 30, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH REDEVELOPMENT TRUST FUND

The Honorable Mayor and Council
City of Clermont, Florida
Community Redevelopment Agency

We have examined the City of Clermont, Florida, Community Redevelopment Agency's (the Agency), a component unit of the City of Clermont, Florida, compliance with the requirements of Section 163.387(7) and (8), Florida Statutes, Redevelopment Trust Fund Policies, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency's compliance with the specified 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 AICPA. 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

Our examination disclosed the following noncompliance with Section 163.387(7)(b), Florida Statutes, applicable to the City of Clermont, Florida, Community Redevelopment Agency during the fiscal year ended September 30, 2024:

- 2024-01 The Agency did not submit its annual or amended budget for fiscal year 2024 to the Lake County Board of County Commissioners within 10 days after the adoption of such budget.

In our opinion, the Agency complied, in all material respects, with the requirements of Sections 163.387(7) and 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024, except for as noted in the paragraph above.

This report is intended solely for the information and use of the Agency's Board, 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.

Orlando, Florida
June 30, 2025



August 27, 2025

Auditor General, State of Florida
Attention: Gina Bailey, CPA – Audit Supervisor Local Government Audits
401 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Re: CRA Management Letter Response

Per the letter dated August 22, 2025 please accept the following response as it related to the FYE 2024 audit findings and recommendations for the Downtown Clermont Redevelopment Agency.

Finding 2024-01: CRA Budget Report to Lake County Board of County Commissioners

The city transitioned to a new auditor (CRI, LLC) for the FYE 2024 audit. CRI made city staff aware of this requirement during fieldwork in March 2025. The city immediately contacted Lake County to provide a copy of the FYE 2025 budget. During that contact, we were advised there is no record of the City submitting the annual budget to them in prior years. This non-compliance item does not appear in prior year audits. While city staff is now aware of this requirement, the timing of awareness means the FYE 2025 audit will likely repeat the non-compliance in the next audit.

Finding 2024-02: Continuing Education Courses

The city transitioned to a new Finance Director in January 2024. Two annual audits were completed during the year, thereby reducing training opportunities during FYE 2024. This requirement has been met during FYE 2025. The documentation is attached to this memo.

Thanks,

Scott Borrer

Scott Borrer
Finance Director
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Continuing Education History

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E-Mail: sborrer@clermontfl.org

DATE	TITLE	CEU Type	CEU	Sponsor	Code
06/15/2025	First Time Attendees' Orientation		0.00	FGFOA	0002329
		Total:	0.00		
06/17/2025	Common Audit Findings	AA	1.50	FGFOA	0002329
06/17/2025	Auditor General & Department of Financial Services Update	AA	2.00	FGFOA	0002329
		Total: AA	3.50		
06/16/2025	The Budget & Sustainability	TB	1.50	FGFOA	0002329
06/16/2025	Lean Six Sigma: Leading More Efficient Operations	TB	2.00	FGFOA	0002329
06/16/2025	Politics, Budgeting, and the Public: "Oh My!"	TB	2.00	FGFOA	0002329
06/17/2025	Financing Capital Improvements	TB	2.00	FGFOA	0002329
		Total: TB	7.50		

Grand Total: 11.00

Paul Shamoun
Executive Director, FGFOA



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This Certificate is presented to

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FL PALM Forum: Understanding Arbitrage Rebate

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A handwritten signature in black ink, appearing to read 'Scott Borrer'.

U.S. Bancorp Asset Management, Inc. DBA
PFM Asset Management
213 Market Street, Harrisburg, PA 17101

June 3, 2025

Date



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June 11, 2025

**U.S. Bancorp Asset Management, Inc. DBA
PFM Asset Management**

225 E. Robinson Street, Suite 250, Orlando, FL 32801

Date



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**The Role of Section 115 Trusts in
Managing Retirement Costs and Obligations**

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April 10, 2025

**U.S. Bancorp Asset Management, Inc. DBA
PFM Asset Management**

225 E. Robinson Street, Suite 250, Orlando, FL 32801

Date



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Pension and OPEB Pre-Funding Strategies

Online

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Instructional Delivery Method: Group Internet Based

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U.S. Bancorp Asset Management, Inc. DBA
PFM Asset Management
213 Market Street, Harrisburg, PA 17101

July 9, 2025

Date