

2024

Marion County Community
Redevelopment Agency

Financial Statements and
Independent Auditor's Report

September 30, 2024

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
OCALA, FLORIDA**

SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Marion County Community Redevelopment Agency
Ocala, Florida

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the CRA as of September 30, 2024, and its changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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Ocala, Florida

INDEPENDENT AUDITOR'S REPORT

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 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, 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 (MD&A) and the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A and the budgetary comparison information, 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

The Board of Directors
Marion County Community Redevelopment Agency
Ocala, Florida

INDEPENDENT AUDITOR'S REPORT

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 MD&A and the budgetary comparison information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2025, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Purvis Gray

April 21, 2025
Ocala, Florida

MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
MARION COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

The Management's Discussion and Analysis (MD&A) is intended to provide the readers of this report with a general overview of the financial activities of the Marion County Community Redevelopment Agency (the CRA). Please read it in conjunction with the CRA's financial statements.

The Marion County Community Redevelopment Agency

The CRA was created pursuant to Chapter 163.356, Florida Statutes, County Ordinance 13-14 and County Resolution 13-R-169. The Marion County, Florida (the County) Board of County Commissioners serves as the CRA Board and has operational responsibility for the CRA. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Pursuant to Chapter 163.387, Florida Statutes and County Ordinance 13-15, the Silver Springs Community Redevelopment Area Trust Fund was established to account for the designated redevelopment program in accordance with the Silver Springs Redevelopment Plan.

Financial Highlights

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$593,228.
- The CRA's fund balance increased by \$196,779 as a result of 2024 operations.
- Revenues for fiscal year 2024 were \$393,912 while expenditures totaled \$197,133.
- For the period ended September 30, 2024, actual revenues were \$6,222 more than budgeted revenues and actual expenditures were \$529,827 less than budgeted expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements, which are comprised of the following four (4) components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information

Government-Wide Financial Statements

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

The *Statement of Net Position and Governmental Fund Balance Sheet* presents financial information on all of the CRA's assets and liabilities, 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 CRA is improving or deteriorating.

The *Statement of Activities and Statement of Revenues, Expenditures, and Changes in Fund Balance* 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 for some items that will only result in cash flows in future fiscal periods.

MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
MARION COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

The government-wide financial statements listed above distinguish functions of the CRA that are principally supported by ad-valorem taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

The government-wide financial statements include only the activities of the CRA. However, the CRA is considered a blended component unit of the County and, as such, the financial information of the CRA is included in the County's Annual Comprehensive Financial Report for each fiscal year.

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.

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 CRA'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 CRA's *near-term* financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Special Revenue Funds. *Special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The CRA's expendable financial resources and the related liabilities are accounted for through a special revenue fund.

Restricted Fund Balance. *Fund balance* should be reported as restricted when constraints placed on the use of resources, such as enabling legislation, which authorizes the government to access, levy, charge, or otherwise mandate payment of resources. All of the CRA's fund balance is considered restricted with the exception of the small amount that is non-spendable related to prepaids.

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.

Required Supplementary Information

Included in this section of the report is the budgetary comparison schedule.

**MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
MARION COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Government-Wide Financial Analysis

Statement of Net Position and Governmental Fund Balance Sheet

As noted earlier, net position may serve over time as a useful indicator of the CRA's financial position. In the case of the CRA, assets exceeded liabilities by \$593,228 (*net position*) as of the close of the most recent fiscal year, an increase of \$196,779 in comparison with the prior year.

The following table reflects a summary of the *Statement of Net Position and Governmental Fund Balance Sheet* for the current and prior year. For more detailed information, see the *Statement of Net Position and Governmental Fund Balance Sheet* on page 8.

Marion County Community Redevelopment Agency		
	2024	2023
Assets		
Cash and Investments	\$ 603,386	\$ 405,488
Prepaid Items	4,500	1,830
Capital Assets	-	41,628
Total Assets	607,886	448,946
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	-	181
Due to Other Governments	14,658	10,688
Total Liabilities	14,658	10,869
Net Position		
Investment in Capital Assets	-	41,628
Restricted	593,228	396,449
Total Net Position	593,228	438,077
Total Liabilities and Equity	\$ 607,886	\$ 448,946

Statement of Activities and Statement of Revenues, Expenditures, and Changes in Fund Balance

The following table reflects the *Statement of Changes in Net Position and Statement of Revenues, Expenditures, and Changes in Fund Balance* for the current and prior year. For more detailed information see the *Statement of Activities and Statement of Revenues, Expenditures, and Changes in Fund Balance* on page 9.

Fiscal year 2024 activities increased the CRA's net position by \$196,779, or 45%, in comparison with the prior year. This change resulted from an increase in tax increment financing revenues in the current year, due to an increase in property values within the CRA district.

Marion County Community Redevelopment Agency		
	2024	2023
Revenues		
Intergovernmental Revenues	\$ 359,524	\$ 266,263
Investment Income	34,388	21,925
Total Revenues	393,912	288,188
Expenditures		
Current:		
Economic Environment	197,133	134,955
Total Expenditures	197,133	134,955
Excess of Revenues Over Expenditures	196,779	153,233
Net Change in Net Position	196,779	153,233
Net Position, Beginning of Year	396,449	284,844
Net Position, End of Year	\$ 593,228	\$ 438,077

**MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
MARION COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Financial Analysis of the CRA's Funds

Governmental Funds

The focus of the CRA's *governmental funds* is to provide information on *near-term* inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the CRA's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The CRA's restricted fund balance of \$588,728 is for redevelopment projects within the CRA district and \$4,500 that is classified as a non-spendable prepaid.

Property taxes totaling \$359,524 represented approximately 91% of all revenues. The CRA's fund balance increased by \$196,779 in the current year. The increase in tax increment financing revenues received by the CRA in the current year resulted from increased property values within the CRA district.

Capital Assets and Debt Administration

As of September 30, 2024, the CRA presents no capital assets, including property, plant, and equipment, and infrastructure assets, and has no long-term debt.

Budgetary Highlights

An annual budget is prepared for the CRA and approved by the CRA Board of Directors. The legal level of control is maintained at the fund level. There were no budget changes during 2024. Budget appropriations may not be legally exceeded on a fund basis. Appropriations lapse at the end of the fiscal year. The budget is adopted on a basis consistent with generally accepted accounting principles.

Economic Factors and Future Developments

The CRA will continue to plan projects and infrastructure improvements that align with its redevelopment priorities for the designated CRA. The CRA will continue to implement the community's shared development goals through its redevelopment strategies and critical tasks.

Request for Information

This financial information is designed to present users with a general overview of the CRA's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information, contact the Marion County Clerk of the Circuit Court and Comptroller, Finance Department, 110 NW First Avenue, Ocala, Florida 34475.

FINANCIAL STATEMENTS

MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
SEPTEMBER 30, 2024

	<u>Special Revenue Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets			
Cash and Investments	\$ 603,386	\$ -	\$ 603,386
Prepays	4,500	-	4,500
Total Assets	<u>607,886</u>	<u>-</u>	<u>607,886</u>
Liabilities			
Due to Other Funds	14,658	-	14,658
Total Liabilities	<u>14,658</u>	<u>-</u>	<u>14,658</u>
Fund Balance			
Non-Spendable - Prepaid	4,500	(4,500)	-
Restricted	588,728	(588,728)	-
Total Fund Balance	<u>593,228</u>	<u>(593,228)</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 607,886</u>		
Net Position			
Restricted for:			
Community Redevelopment Projects		593,228	593,228
Total Net Position		<u>\$ 593,228</u>	<u>\$ 593,228</u>

See accompanying notes.

**MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES AND STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
SEPTEMBER 30, 2024**

	<u>Special Revenue Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues			
Intergovernmental Revenues	\$ 359,524	\$ -	\$ 359,524
Investment Income	34,388	-	34,388
Total Revenues	<u>393,912</u>	<u>-</u>	<u>393,912</u>
Expenditures			
Current:			
Economic Environment	197,133	-	197,133
Total Expenditures	<u>197,133</u>	<u>-</u>	<u>197,133</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>196,779</u>	<u>-</u>	<u>196,779</u>
Net Change in Fund Balance/Net Position	196,779	-	196,779
Fund Balance/Net Position, Beginning of Year	<u>396,449</u>	<u>-</u>	<u>396,449</u>
Fund Balance/Net Position, End of Year	<u>\$ 593,228</u>	<u>\$ -</u>	<u>\$ 593,228</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS
MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
OCALA, FLORIDA

Note 1 - Summary of Significant Accounting Policies

The Marion County Community Redevelopment Agency's (the CRA) financial statements are prepared in accordance with generally accepted accounting principles, as applicable to governments. The following is a summary of the more significant policies:

Reporting Entity

The CRA was created pursuant to Chapter 163.356, Florida Statutes, County Ordinance 13-14, and County Resolution 13-R-169. The Marion County, Florida (the County) Board of County Commissioners serves as the CRA Board of Directors and has operational responsibility for the CRA. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Pursuant to Chapter 163.387, Florida Statutes, and County Ordinance 13-15, the Silver Springs Community Redevelopment Area Trust Fund was established to account for the designated redevelopment program in accordance with the Silver Springs Redevelopment Plan.

Financial Statements

The financial statements are presented for the purpose of complying with state law, specifically Florida Statutes, Section 163.387(8)(a), which requires separate audited financial statements for each Community Redevelopment Agency that has revenues or expenditures that exceed \$100,000.

Entity-wide financial statements are prepared at the County-wide level by the County and include the CRA.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

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 the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except for debt service expenditures, which are recorded only when payment is due.

Tax increment financing revenue, when levied for, and interest associated with the current fiscal period, are both considered to be measurable and have been recognized as revenues of the current fiscal year, if available.

NOTES TO FINANCIAL STATEMENTS
MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
OCALA, FLORIDA

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

Considering that the fund statements are presented on a different measurement focus and basis of accounting than the government-wide governmental activities column, a reconciliation is sometimes necessary to explain the adjustments needed to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

■ **Description of Funds and Account Groups**

- **Special Revenue Funds**—Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than the debt service or capital projects.

Governmental fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified below in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances.

Non-spendable fund balance—include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. Non-spendable in governmental fund types are for inventories and prepaid items.

Restricted fund balance—include amounts that can be spent only for the specific purposes stipulated by external resources providers, either constitutionally or through enabling legislation. Examples include grants and impact fees.

Committed fund balance—include amounts that can only be used for the specific purpose determined by a formal action of the CRA's highest level of decision-making authority. Commitments may be changed or lifted only by the CRA taking the same formal action that imposed the constraint originally.

Assigned fund balance—comprises amounts intended to be used by the CRA for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that the resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance—is the residual classification of the general fund only and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Budgetary Requirements

An annual budget is prepared for all funds of the County, including the CRA. The budget amounts presented in the accompanying financial statements are as originally adopted, or as legally amended, by the County during the year ended September 30, 2024. Budget appropriations may not be legally exceeded on a fund basis. Appropriations lapse at the end of each fiscal year. The budget is adopted on a basis consistent with generally accepted accounting principles.

NOTES TO FINANCIAL STATEMENTS
MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
OCALA, FLORIDA

Cash and Cash Equivalents

The County maintains a pooled cash fund, which allows the various funds of the County to pool monies for investment purposes. The County maintains records to identify the equity of each fund investing in the pool as well as amounts borrowed from the pool. Investment earnings of the pool are recorded as earned and are allocated to the participating funds based on the respective funds average daily balance. The equity in pooled cash consists of cash which can be liquidated without penalty or delay.

Prepaid Items

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. These payments are recorded as expenditures or expense when consumed rather than when purchased.

Note 2 - Cash and Equity in Pooled Cash and Investments

At September 30, 2024, the carrying amount of the CRA's cash deposits was \$603,386. These funds are part of the County's pooled cash funds. The County's cash deposits are held by a bank that qualifies as a public depository under the *Florida Security for Public Deposits Act* as required by Chapter 280, Florida Statutes. The County's cash deposits are fully insured by the Public Deposits Trust Fund. Additionally, funds are placed with the State Board of Administration (SBA) for participation in the Local Government Surplus Funds Trust Fund (Florida Prime Investment Pool), created by Section 218.405, Florida Statutes.

This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. Further information on the County's pooled cash and investments can be found in the notes to the annual financial statements of the County.

Note 3 - Tax Increment Financing Revenue

The CRA is primarily funded through tax-increment financing revenue that is collected from levied ad-valorem property taxes within the legally defined redevelopment area. The tax increment revenue is calculated by applying the adopted millage rate to the increase in the current year taxable assessed valuations within the designed CRA district using the year in which it was established as the "base year".

Assessed values are established by the County Property Appraiser. The County is required to pay 75%-95%, depending on the location of the property, of these incremental property taxes to the CRA each year.

REQUIRED SUPPLEMENTARY INFORMATION

MARION COUNTY COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental Revenue	\$ 378,000	\$ 378,000	\$ 359,524	\$ (18,476)
Investment Income	9,690	9,690	34,388	24,698
Total Revenues	<u>387,690</u>	<u>387,690</u>	<u>393,912</u>	<u>6,222</u>
Expenditures				
Current:				
Economic Environment	576,306	576,306	197,133	379,173
Capital Outlay	150,654	150,654	-	150,654
Total Expenditures	<u>726,960</u>	<u>726,960</u>	<u>197,133</u>	<u>529,827</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(339,270)</u>	<u>(339,270)</u>	<u>196,779</u>	<u>536,049</u>
Net Change in Fund Balance	(339,270)	(339,270)	196,779	536,049
Fund Balances, Beginning of Year	<u>339,270</u>	<u>339,270</u>	<u>396,449</u>	<u>57,179</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 593,228</u>	<u>\$ 593,228</u>

OTHER REPORTS

**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***

The Board of Directors
Marion County Community Redevelopment Agency
Ocala, Florida

We have audited, 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, the financial statements of the Marion County Community Redevelopment Agency (the CRA) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's financial statements, and have issued our report thereon dated April 21, 2025.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

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

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The Board of Directors
Marion County Community Redevelopment Agency
Ocala, Florida

**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***

the financial statements. However, providing an opinion on compliance with such 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 non-compliance 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.

Purvis Gray

April 21, 2025
Ocala, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 163.387(6) AND (7), FLORIDA STATUTES

The Board of Directors
Marion County Community Redevelopment Agency
Ocala, Florida

We have examined the Marion County Community Redevelopment Agency's (the CRA) compliance with the requirements of Sections 163.387(6) and (7), Florida Statutes, as of and for the year ended September 30, 2024, as required by Section 10.556(10)(f), *Rules of the Auditor General*. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

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

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

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

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the CRA, its management, and the Board of County Commissioners, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

April 21, 2025
Ocala, Florida

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

The Board of Directors
Marion County Community Redevelopment Agency
Ocala, Florida

We have examined the Marion County Community Redevelopment Agency's (the CRA) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

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

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

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

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the CRA, its management, and the Board of County Commissioners, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

April 21, 2025
Ocala, Florida

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MANAGEMENT LETTER

The Board of Directors
Marion County Community Redevelopment Agency
Ocala, Florida

Report on the Financial Statements

We have audited the financial statements of the Marion County Community Redevelopment Agency (the CRA) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 21, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Reports on examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated April 21, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings and 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 be disclosed in the Management Letter, unless disclosed in the notes to the financial statements (see Note 1 of the CRA's financial statements as of and for the year ended September 30, 2024, for this information).

Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the County confirms that a PACE program, authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the County’s geographical boundaries during the fiscal year under audit.

As required by Sections 10.554(1)(i)6.b. and 10.554(1)(i)6.c., *Rules of the Auditor General*, the following are the program administrators and their contact information:

Program Administrator	Address/Contact	Third-Party Administrators & Contact
Florida Green Finance Authority	2501A Burns Rd., Palm Beach Gardens, FL 33410 Phone: 561-630-4922 Attn: Todd Wodraska, Manager and Secretary	Petros Pace Finance, LLC (Commercial) 300 Colorado St., Ste 2000, Austin, TX 78701 Attn: Tommie Deavenport, COO Phone: 512-599-9037 Renew Financial Group LLC (Residential) 555 12th St., Ste 1650, Oakland, CA 94607 Attn: David Crichton, COO Phone: 844-736-3934
Green Corridor PACE District	5385 North Nob Hill Rd., Sunrise, FL 33351 Phone: 786-271-9208	Ygrene Energy Fund 6303 Blue Lagoon Dr., Ste 400, Miami, FL 33126 Phone: 866-634-1358 Willdan Financial Services 2401 E Katella Ave., Ste 300, Anaheim, CA 92806 Phone: 866-807-6864
Florida PACE Funding Agency	6650 Professional Parkway, Suite 102, Sarasota, FL 34240	Residential Third-Party Administrators: FortiFi - www.Fortifi.com , Phone: 858-345-2000 Home Run - www.homerunfinancing.com , Phone: 800-231-6991 Commercial Third-Party Administrators: Bayview - www.bayviewpace.com , Phone: 844-518-2343 NorthBridge (active until July 2024) - www.northbridgeops.com , Phone: 212-946-6897

The Board of Directors
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MANAGEMENT LETTER

Program Administrator	Address/Contact	Third-Party Administrators & Contact
Florida Development Finance Corporation	Contacts: Ryan Bartkus, Sr. Director, Phone: 407-712-6353, Email: rbartkus@fdcbonds.com Ahisha Rodriguez, Programs Manager, Phone: 407-712-6352, Email: arodriguez@fdcbonds.com	Allectrify Colin Bishopp, CEO, Phone: 202-550-7570, Email: colin@allectrify.com Fran Faulknor, Chief Investment Officer, Phone: 240-393-5569, Email: fran@allectrify.com Aaron Jordan, Director of Portfolio Management and Compliance, Phone: 202-550-7570, Email: aaron@allectrify.com Bayview PACE Victoria DaSilva, Investment Associate, Email: victoriadasilva@bayview.com Danny Roberts, Assistant Vice President, Phone: 844-518-2343, Email: dannyroberts@bayview.com Joseph Zanzuri, CRE Analyst, Phone: 844-518-2343; Email: josephzanzuri@bayview.com Anne Hill, Senior Vice President; Phone: 844-518-2343; Email: annehill@bayview.com Ebee Management Group Teresa Smith, Strategic Growth & Development, Phone: 419-340-0420, Email: tsmith@ebeeco.com Enhanced Capital Ian McCulley, Email: imcculley@enhancedcapital.com FBRT Green Capital, LLC Lain Gutierrez, Managing Director, Phone: 212-588-1420, Email: l.gutierrez@benefitstreetpartners.com Forbright Bank Martin Gitlin, Attorney, Phone: 203-557-3894, Email: martin@cleanenergycounsel.com Omayra Rodriguez, Director of Compliance & Process, Phone: 301-299-8810, Email: orodriguez@forbrightbank.com Imperial Ridge Joel Poppert, Managing Director, Phone: 303-390-1655, Email: jpoppert@imperialridgecap.com Kevin Morse, Managing Director, Phone: 303-390-1655, Email: kmorse@imperialridgecap.com

The Board of Directors
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 Ocala, Florida

MANAGEMENT LETTER

Program Administrator	Address/Contact	Third-Party Administrators & Contact
		<p>Lord Capital LLC Stephen Ceurvorst, Phone: 212-400-7150, Email: sceurvorst@lordcap.com Joseph Lau, President, Phone: 212-400-7150, Email: jlau@lordcap.com Jessica Collins, Phone: 212-400-7150, Email: jcollins@lordcap.com</p> <p>Nuveen Green Capital Robert Dimatteo, Phone: 917-968-0948, Email: robert.dimatteo@nuveen.com Alicia Helgans, Manager, C-PACE Asset Management, Phone: 203-875-9501, Email: alicia.helgans@nuveen.com</p> <p>PACE Equity Shay Harold, Phone: 407-227-4275, Email: sharold@pace-equity.com Beau Engman, Founder & President, Phone: 414-301-2328, Email: beau@pace-equity.com Kevin Moyer, Chief Investment Officer, Phone: 567-686-7636, Email: kmoyer@pace-equity.com Ryan Van Spankeren, Director Transaction Management, Phone: 855-378-0858, Email: ryanvs@pace-equity.com Ethan L. Elser, Sr., Executive Vice President, Phone: 414-446-3645; Email: ethan@pace-equity.com Aysha Cox, Transaction Analyst, Phone: 855-378-0858; Email: acox@pace-equity.com Pam Haack, Director Asset Management, Phone: 855-378-0858; Email: phaac@pace-equity.com</p> <p>PACE Loan Group Rafi Golberstein, Chief Executive Officer, Phone: 612-355-2606, Email: rafi@paceloangroup.com Matthew McCormack, Junior Originator / Analyst, Phone: 612-355-2630, Email: matthew@paceloangroup.com Angela Ledding, Managing Director, Phone: 218-966-8418; Email: angela@paceloangroup.com</p>

The Board of Directors
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 Ocala, Florida

MANAGEMENT LETTER

Program Administrator	Address/Contact	Third-Party Administrators & Contact
		<p>Kris Jones; Vice President Originations, Phone: 619-723-1778; Email: kris@paceloangroup.com</p> <p>Bali Kumar, Chief Operating Officer, Phone: 612-355-2990; Email: bali@paceloangroup.com</p> <p>Peachtree Group Robert Loeb, Phone: 770-299-2516, Email: rloeb@stonehillsc.com</p> <p>Allison Neary, Phone: 470-298-3715, Email: aneary@stonehillsc.com</p> <p>Jared Schlosser, Senior Vice President, Phone: 678-823-9313; Email: jschlosser@stonehillsc.com</p> <p>Lexi Glunn, PACE Investment Analyst, Phone 678-823-9313; Email: lglunn@stonehillsc.com</p> <p>Petros PACE Finance John Gamm, Vice President - Legal, Phone: 512-599-9027, Email: john@petrospartners.com</p> <p>Andy Meyer, Senior Vice President, Phone: 636-577-0378, Email: andy@petrospartners.com</p> <p>Tasha Hernandez, Transaction Manager, Phone 512-256-9771; Email: tasha@petrospartners.com</p> <p>Justin White, Vice President – Transactions, Phone 512-599-9047; Email: justin@petrospartners.com</p> <p>Poppy Bank Andrew Fuller, Phone: 888-636-9994, Email: afuller@poppy.bank</p> <p>Rockwood Todd Velnosky, Principal, Phone: 314-380-5999, Email: tvelnosky@rockwoodam.com</p> <p>Sustainable Equity, LLC Byron DeLear, Phone: 314-445-7911, Email: byron@sustainableequity.org</p> <p>Abraham Rezez, Email: abraham@sustainableequity.org</p>

The Board of Directors
 Marion County Community Redevelopment Agency
 Ocala, Florida

MANAGEMENT LETTER

Program Administrator	Address/Contact	Third-Party Administrators & Contact
		<p>Twain Financial Partners Ammie Minton, Assistant Director of Asset Management, Phone: 314-300-4202, Email: ammie.minton@twainfinancial.com Jela Dilber, Director of Asset Management, Managing Director, Phone: 314-300-4183, Email: jela.dilber@twainfinancial.com</p>

Special District Component Unit

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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:

- The total number of district employees compensated in the last pay period of the district’s fiscal year as 0.
- The total number of independent contractors to whom non-employee compensation was paid in the last month of the district’s fiscal year as 1.
- All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as \$174,196.
- Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such projects as \$0.
- A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as an \$0 increase.

The Board of Directors
Marion County Community Redevelopment Agency
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MANAGEMENT LETTER

Additional Matters

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

Purpose of this Letter

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

Purvis Gray

April 21, 2025
Ocala, Florida

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