

CITY OF MIAMI
MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
City of Miami Midtown Community Redevelopment Agency
Miami, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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



Responsibilities of Management for the Financial Statements (cont'd)

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 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 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 February 27, 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.



North Miami, Florida
February 27, 2025

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
SEPTEMBER 30, 2024

The Management's Discussion and Analysis (MD&A) of the City of Miami Midtown Community Redevelopment Agency (the Agency) is intended to provide an overview of the Agency's financial position and the results of operation for the fiscal year ended September 30, 2024. The MD&A should be read in conjunction with the Agency's financial statements, including the accompanying notes, to enhance the understanding of the Agency's financial performance.

Financial Highlights

On September 30, 2024, the restricted fund balance of \$6,140,195 was unspent tax increment financing revenue restricted for redevelopment project.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprised of the following components 1) Government-wide financial statements, 2) Fund financial statements, 3) notes to the basic financial statements, and 4) required supplementary information.

The Agency is considered a special purpose government engaged in a single governmental activity, the related government-wide and fund financial statements are presented separately. However, there are no reconciling items between these two statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business (i.e. economic resources and measurement focus).

The statement of net position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 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 the 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.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
SEPTEMBER 30, 2024

Government-wide Financial Statements (cont'd)

The government-wide financial statements listed above distinguish functions of the Agency that are principally supported by ad-valorem taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their cost through user fees and charges. The governmental activity of the Agency is community redevelopment.

The government-wide financial statements include only the financial activities of the Agency. However, the Agency is considered a component unit of the City of Miami, Florida (the City). As such, the financial information of the Agency is included in the City's Annual Comprehensive Financial Report in 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 Agency 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 expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is helpful 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 the comparison between governmental funds and governmental activities when required.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
SEPTEMBER 30, 2024

Governmental Funds (cont'd)

Key elements of the reconciliation of these two statements are that the government-wide statement of activities reports the issuance of debt as a liability, the purchases of capital assets as assets, which are then charged to expense over their useful lives (depreciated), and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental funds statements report the issuance of debt as an other financing source of funds, the repayment of debt as an expenditure, the purchase of capital assets as an expenditure, and do not reflect changes in long-term liabilities.

The Agency maintains one governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund. The Agency does not have any other funds.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 13 to 17 of this report.

Budgetary Highlights

The Agency is authorized to transfer budget amounts. The board must approve revisions that alter the total expenditure. The legal level of control is maintained at the fund level. There were no budget amendments in the current year. The total budgeted expenditures were in the amount of \$13,436,326.

Financial Analysis

Government-Wide Financial Analysis

Our analysis of the financial statements of the Agency begins below. The Statement of Net Position and the Statement of Activities report information about the Agency's activities that will help answer questions about the position of the Agency. A comparative analysis is provided below.

Summary Schedule of Net Position

	<u>2024</u>	<u>2023</u>
Current assets	\$ 6,140,195	\$ 4,954,190
Total assets	<u>6,140,195</u>	<u>4,954,190</u>
Restricted for redevelopment projects	<u>6,140,195</u>	<u>4,954,190</u>
Total net position	<u>\$ 6,140,195</u>	<u>\$ 4,954,190</u>

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
SEPTEMBER 30, 2024

Financial Analysis (cont'd)

Government-Wide Financial Analysis (cont'd)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Government activities increased the Agency's net position by \$1.2M or 23% for the year ended September 30, 2024. Key elements of the change are described below.

Summary Schedule of Changes Net Position

	<u>2024</u>	<u>2023</u>
Revenues:		
Tax increment revenue	\$ 12,957,996	\$ 12,032,411
Investment income	<u>282,709</u>	<u>828,945</u>
Total revenues	<u>13,240,705</u>	<u>12,861,356</u>
Expenses:		
General government	129,580	120,324
Community redevelopment	<u>11,925,121</u>	<u>23,574,070</u>
Total expenses	<u>12,054,701</u>	<u>23,694,394</u>
Change in net position	<u>\$ 1,186,005</u>	<u>\$ (10,833,038)</u>

Tax increment financing revenue in the current year exceeded expenses, which resulted in an increase in the total net positions as of September 3, 2024.

Governmental Fund Financial Analysis

The focus of the Agency's governmental fund 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 year.

The Special Revenue Fund is the operating fund of the Agency. At the end of the current year, a restricted fund balance of \$6,140,195 was unspent tax increment financing revenues restricted for redevelopment projects.

Tax increment financing revenues in the current year exceeded expenses, which increased net position.

The Agency's Special Revenue Fund is required to adopt an annual budget prepared on a basis consistent with accounting principles generally accepted in the United States of America.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
SEPTEMBER 30, 2024

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, 1401 North Miami Avenue, Miami, Florida 33136.

BASIC FINANCIAL STATEMENTS

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalent	\$ 4,920,421
Prepaid Expense	1,148,250
Interest receivable	<u>71,524</u>
Total Assets	<u>6,140,195</u>
 NET POSITION	
Restricted for redevelopment projects	<u>6,140,195</u>
Total Net Position	<u>\$ 6,140,195</u>

See notes to financial statements.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Capital Grants and Contribution</u>	<u>Statement of Activities</u>
General government	\$ 129,580	\$ -	\$ (129,580)
Community redevelopment	<u>11,925,121</u>	<u>-</u>	<u>(11,925,121)</u>
Total governmental activities	<u>12,054,701</u>	<u>-</u>	<u>(12,054,701)</u>

General revenues:

Tax increment financing	12,957,996
Investment income (loss)	<u>282,710</u>
Total general revenues	<u>13,240,706</u>
Change in net position	1,186,005
Net position - beginning of the year	<u>4,954,190</u>
Net position - end of the year	<u>\$ 6,140,195</u>

See notes to financial statements.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
GENERAL FUND – BALANCE SHEET
SEPTEMBER 30, 2024

ASSETS

Cash and cash equivalent	\$ 4,920,421
Prepaid Expense	1,148,250
Interest receivable	<u>71,524</u>
Total Assets	<u>6,140,195</u>

FUND BALANCE

Restricted for redevelopment projects	<u>6,140,195</u>
Total Fund Balance	<u>\$ 6,140,195</u>

See notes to financial statements.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Revenues:

Tax increment financing	\$ 12,957,996
Investment and other income	<u>282,709</u>
Total revenues	<u>13,240,705</u>

Expenditures:

Current:

General government	129,580
Community redevelopment	<u>11,925,121</u>
Total expenditures	<u>12,054,701</u>

Net change in fund balance	1,186,004
Fund balance, beginning	<u>4,954,190</u>
Fund Balance, ending	<u>\$ 6,140,194</u>

See notes to financial statements.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 1 - Summary of Significant Accounting Policies

This summary of the City of Miami Midtown Community Redevelopment Agency (the Agency) significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Financial Reporting Entity

The Agency was established in 2005 by the City of Miami, Florida (the City) under the provisions of Section 163, Florida Statutes. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Midtown area. The board of directors of the Agency are comprised of the five members of the City commission and are separate, distinct and independent from the governing body of the City.

On June 30, 2005, the Agency entered into an Interlocal Cooperation Agreement (the Original Agreement) with the City, Miami-Dade County (the County), and the Midtown Community Development District (the "District"), whereby tax increment revenues collected by the City and County would be paid to Midtown and used in accordance with the approved budget and redevelopment plan and terms and conditions of the Original Agreement. In accordance with the redevelopment plan, the Agency pledged the tax increments revenues received from the City and County to the repayment of the debt service of bonds issued by the District, which bonds were issued on July 28, 2004, and refinanced in 2014. In accordance with the Original Agreement, any shortfalls in the debt service are to be paid by the District, not the Agency. However, the terms of the Original Agreement were amended significantly on September 23, 2008 (the Amended Agreement), whereby the Agency is now responsible for any shortfall of the tax increment revenues pledged for the repayment of the annual debt service requirements. Any funds remaining after payment of the current year's debt service, such amounts should be applied to reduce any historical cumulative shortages occurred in prior years. If the tax increment revenues exceed the debt service coupled with the debt service shortfall, said surplus shall be paid to the property owners of record in the district.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 1 - Summary of Significant Accounting Policies (cont'd)

B. Government-wide and Fund financial statements

The government-wide financial statements report information on all of the financial activities of the Agency. The government-wide focus is more on the sustainability of the Agency as an entity and the change in financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues*, if any, include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements

The accounts of the Agency are reported as a special revenue fund, which is a governmental fund. The special revenue fund is the Agency's only fund and thus the Agency's only major fund. The governmental fund statements includes reconciliations, where applicable, with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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 Agency considers revenues 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.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 1 - Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (cont'd)

Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all tax increment revenues, net of distribution remittances to the District.

D. Cash and cash equivalents

Cash and cash equivalents is comprised of deposits with financial institutions.

E. Fund Balance / Net Position

Fund balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent, as follows:

- Nonspendable fund balance - 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 - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Committed fund balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.
- Assigned fund balance - amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned fund balance - amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purpose within the general fund.

When both restricted and unrestricted amounts are available for use, it is the Agency's practice to use restricted resources first. Additionally, the Agency would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 1 - Summary of Significant Accounting Policies (cont'd)

E. Fund Balance / Net Position (cont'd)

Net position

The government-wide financial statements utilize a net position presentation. Net position can be categorized as net investment in capital assets, restricted, or unrestricted. The first category consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position results when constraints placed on the use of the net position are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of the remaining net position that does not meet the previously listed criteria.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

G. Risk Management

The Agency is exposed to various risks of losses related to torts; theft or 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. There were no losses or claims incurred during the current fiscal year, and there were no settlements that exceeded insurance coverage during the past three fiscal years.

Note 2 - Deposits and Investments

As of September 30, 2024, the Agency has \$4,920,421 in cash and cash equivalents. These are defined as public deposits. The Agency's fund participates in the City's pool on a dollar equivalent and daily transaction basis. Interest income is distributed monthly based on a monthly average balance.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 2 - Deposits and Investments (cont'd)

Custodial Credit Risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), deposits are held in banking institutions approved by the State of Florida, State Treasurer to hold public funds. Under the Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The Agency does not have a separate deposit and investment policy, and therefore, it follows the deposit and investment policies of the City.

Note 3 - Tax Increment Revenues

The Agency's primary source of revenue is tax increment funds. This revenue is computed by applying the operating tax rate for the City and the Miami-Dade County (the County), multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5%. The City and the County are required to fund this amount annually without regard to tax collections or other obligations. The Agency recognized \$12,957,996 for the fiscal year ended September 30, 2024.

Note 4 - Related Party Transactions

The Agency shares office space and equipment with the Omni CRA. Any costs associated with equipment are incurred and paid by the Omni CRA, and no allocation of such cost is charged to the Agency. Omni CRA employees provide personnel and administrative support to aid in the operation of the Agency. Personnel and administrative costs in the amount of \$129,580 were charged to the Agency and recognized in the accompanying financial statements. The employer's share of the benefit cost is not charged to the Agency. The Agency does not have any employees.

Note 5 - Subsequent events

The Agency evaluated subsequent events through February 27, 2025, the date the financial statements were available to be issued, and does not believe that there are any such events or transactions that require disclosure

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
BUDGETARY COMPARISON SCHEDULE
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Tax increment revenue	\$ 13,436,326	\$ 13,436,326	\$ 12,957,996	\$ (478,330)
Investment income (loss)	-	-	282,710	282,710
Total revenues	<u>13,436,326</u>	<u>13,436,326</u>	<u>13,240,706</u>	<u>(195,620)</u>
Expenditures:				
Current:				
General government	134,363	134,363	129,580	(4,783)
Community redevelopment	<u>13,301,963</u>	<u>13,301,963</u>	<u>11,925,121</u>	<u>(1,376,842)</u>
Total expenditures	<u>13,436,326</u>	<u>13,436,326</u>	<u>12,054,701</u>	<u>(1,381,625)</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	1,186,005	1,186,005
Other financing sources:				
Net carryover fund balance	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,186,005	<u>\$ 1,186,005</u>
Fund balance - beginning of the year			<u>4,954,190</u>	
Fund balance - end of the year			<u>\$ 6,140,195</u>	

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)
NOTE TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2024

Note 1 - Budgetary Procedures and Budgetary Accounting

The Agency adheres to the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

Prior to September 30th, the Agency Administrator submits, to the Board of Directors, a proposed operating budget for each fund for the fiscal year commencing October 1st. The operating budget includes proposed expenditures and the means of financing them.

The Agency budget is also included in the City's budget and is presented to the City Commission for ratification prior to September 30th.

The Agency's management is authorized to transfer budget amounts. Revisions that alter the total expenditure must be approved by the Agency Board. Legal level of control is maintained at the fund level. There were no amendments to the budget in the current year.

OTHER REPORTS



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Board of Directors
City of Miami Midtown Community Redevelopment Agency
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund information of the City of Miami Midtown Community Redevelopment Agency (the Agency), a component unit of the City of Miami, Florida, (the City), 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 February 27, 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) to determine the 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 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.

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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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance 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.



North Miami, Florida
February 27, 2025



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Directors
City of Miami Midtown Community Redevelopment Agency
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Miami Midtown Community Redevelopment Agency (the Agency) a component unit of the City of Miami, Florida (the City), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 27, 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(s) on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General Disclosures in those reports and schedule, which are dated February 27, 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 financial audit report. There were no such findings identified.



Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The pertinent details of the Agency are disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the *Agency has* met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the 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 Agency. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Special District Component Units

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

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the City of Miami Midtown Community Redevelopment Agency reported:

- a. No employees compensated in the last pay period of the Agency's fiscal year.
- b. No independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year.
- c. No compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.

- d. No compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency for the fiscal year.
- e. There were no construction projects with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes. The budget variance detail of the Agency is disclosed in the financial Statements Required Supplementary Information.

Additional Matters

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

Purpose of this Letter

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



North Miami, Florida
February 27, 2025



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Board of Directors
City of Miami Midtown Community Redevelopment Agency
Miami, Florida

We have examined the City of Miami Midtown Community Redevelopment Agency (the Agency), a component unit of the City of Miami, Florida (the City) compliance with the requirements of Section 218.415, Florida Statutes during the period ended September 30, 2024. Management is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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, Section 218.415 Florida Statutes compliance requirements; during the period of October 1, 2023 to September 30, 2024.

This report is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Honorable Mayor, Members of the City Council and officials of the Agency, and is not intended to be and should not be used by anyone other than these specified parties.

North Miami, Florida
February 27, 2025

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Board of Directors
City of Miami Midtown Community Redevelopment Agency
Miami, Florida

We have examined the City of Miami Midtown Community Redevelopment Agency (the Agency), a component unit of the City of Miami, Florida (the City) compliance with *Sections 163.387(6) and 163.387(7), Florida Statutes* regarding the redevelopment trust for the year ended September 30, 2021. Management of the CRA is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

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

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 *Sections 163.387(6) and 163.387(7), Florida Statutes* regarding the redevelopment trust for the year ended September 30, 2024.

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

North Miami, Florida
February 27, 2025

