

**PINELLAS COUNTY, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of Pinellas County, Florida)**

**FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024**

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
FINANCIAL STATEMENTS
For the year ended September 30, 2024

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Independent Auditor's Report

Honorable Board of County Commissioners
Pinellas County Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of the Pinellas County Community Redevelopment Agency (the "CRA"), a component unit of Pinellas County, Florida 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 in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the CRA as of September 30, 2024, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

Auditor's Responsibility 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 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 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* in considering the CRA's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Tampa, Florida
April 18, 2025**

**MANAGEMENT'S
DISCUSSION AND ANALYSIS
(UNAUDITED)**

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
September 30, 2024

This section of the Pinellas County Community Redevelopment Agency (Agency) annual financial report presents a narrative overview and an analysis of the financial activities of the Agency for the fiscal year ended September 30, 2024. Please read the information presented here in conjunction with the financial statements and notes to the financial statements that follow.

FINANCIAL HIGHLIGHTS

- The Agency's assets exceeded its liabilities at September 30, 2024, by \$9,808,284 (net position). Net position increased by \$2,973,913 from the previous fiscal year. The increase is largely due to the tax increment financing revenue increase as a result of higher property values within the Community Redevelopment Area.
- As of September 30, 2024, the Agency's governmental fund reported an ending fund balance of \$8,725,125, an increase of \$2,714,325 from the previous fiscal year. The difference between the Agency's net position and fund balance is due to capital assets, net of accumulated depreciation, which are reported in governmental activities, thereby increasing net position. Capital additions are recorded as expenditures when incurred in the governmental fund, thereby decreasing fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements provide both long-term and short-term information about the Agency's overall financial status. These statements use a format similar to a private-sector business. They include a Statement of Net Position and a Statement of Activities.

The Statement of Net Position presents information on the Agency's assets, deferred outflows, liabilities, deferred inflows, and the resulting net position using accounting methods similar to those used by private sector companies. This is considered one way to measure the Agency's financial health.

The Statement of Activities presents information showing how the Agency's net position changed during this fiscal year. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

Fund financial statements. Traditional users of governmental financial statements will find the fund financial statements' presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency uses one governmental fund to account for its operations.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial statements.

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the fund statement of revenues, expenditures, and change in fund balance provide a reconciliation to facilitate this comparison.

The Agency adopts an annual appropriated budget for the governmental fund. A budgetary comparison statement is provided for the General Fund in order to present budgetary compliance.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
September 30, 2024

Notes to the financial statements. The financial statements also include notes. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The comparison of net position from year to year serves to measure a government's financial position. As of September 30, 2024, assets exceeded liabilities by \$9,808,284 (net position). Of this amount, \$8,725,125 is restricted for eligible activities associated with implementing the Pinellas County Community Redevelopment Area (CRA) Redevelopment Plan.

	2024	2023
Current and other assets	\$ 8,899,489	\$ 6,066,709
Capital assets	1,083,159	823,571
Total assets	9,982,648	6,890,280
Current liabilities	174,364	55,909
Total liabilities	174,364	55,909
Net investment in capital assets	1,083,159	823,571
Restricted	8,725,125	6,010,800
Total net position	<u>\$ 9,808,284</u>	<u>\$ 6,834,371</u>

Investment in capital assets (building improvements and construction in progress) represent 11.0% of the Agency's total net position as of September 30, 2024. Capital assets are used to achieve the mission of the Agency and have a long-term economic benefit. Restricted net position represents 89.0% of total net position and is obligated for a specific purpose. The Agency has no unrestricted net position because the Agency's total net position, less investment in capital assets, must be used to fulfill its CRA Redevelopment Plan (Plan). The Plan serves as a comprehensive framework for long-term development, economic development, and redevelopment revitalization strategies to address blighted conditions and improve the overall quality of life in the CRA.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
September 30, 2024

The following schedule compares the revenues and expenses for governmental activities for the current and previous fiscal year.

	2024	2023
Revenues		
Program Revenue:		
Capital contributions	\$ —	\$ 58,000
Operating Contributions	70,000	70,000
General Revenues:		
Taxes	3,921,203	2,872,087
Investment income (loss)	452,906	190,150
Miscellaneous	111	476
Total revenues	<u>4,444,220</u>	<u>3,190,713</u>
Expenses		
Economic environment	<u>1,470,307</u>	<u>1,621,210</u>
Total Expenses	<u>1,470,307</u>	<u>1,621,210</u>
Change in net position	2,973,913	1,569,503
Net position - beginning	<u>6,834,371</u>	<u>5,264,868</u>
Net position - ending	<u>\$ 9,808,284</u>	<u>\$ 6,834,371</u>

Revenues for governmental activities increased 39.3% over the prior year, largely related to the \$1,049,116 increase in tax revenue due to rising property values. Expenses for governmental activities decreased by \$150,903 or 9.3%, over the prior year due to the consistent programs and projects that occurred from the prior year with limited changes, resulting in relatively little changes in expenditures.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

Governmental Funds: The Agency's governmental fund provides a short-term view of the Agency's operations and services provided. Governmental fund information helps determine the amount of short-term financial resources available for the Agency's programs. The General Fund is the operating fund of the Agency and accounts for all of its financial resources. As of September 30, 2024, the total fund balance for the Agency's General Fund was \$8,725,125, increasing from the prior year by \$2,714,325, or 45.2%. Revenues and expenditures in the General Fund were identical to governmental activities, with the exception of annual depreciation of \$15,800 and capital outlay of \$275,388.

General Fund Budgetary Highlights

Program expenditures under the fiscal year 2024 amended budget of the Agency totaled \$8,798,300, which was an increase of \$2,404,260, or 37.6%, over the fiscal year 2023 amended budget. Total revenues budgeted in the General Fund for fiscal year 2024 were \$3,332,500, of which \$3,234,000 were related to taxes. In fiscal year 2023, budgeted revenues were \$3,132,340, of which \$3,033,460 was related to taxes. The higher budgeted tax revenue in the current fiscal year is reflective of the anticipated increases in property values within the community redevelopment area. The fiscal year 2024 final budget projected a \$5,465,800 deficiency of revenues under expenditures. Actual amounts consisted of \$2,714,325 of revenues in excess of expenditures. This \$8,180,125 difference resulted from program expenditures incurred that were \$7,068,405 less than budgeted. In 2024 all available resources are fully budgeted for disbursement, including \$5,465,800 carried forward from 2023.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
September 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

The Agency's investment in capital assets is \$1,083,159, net of accumulated depreciation. This includes building improvements and construction in progress. In 2024 annual depreciation of \$15,800 and capital asset additions of \$275,388 were recognized.

	2024	2023
Building improvements	\$ 134,300	\$ 150,100
Construction in progress	948,859	673,471
Total	<u>\$ 1,083,159</u>	<u>\$ 823,571</u>

The Agency's capital assets consisted of the following:

- Building improvements – The decrease reflects the annual depreciation.
- Equipment – There were no equipment purchases or changes.
- Construction in progress – Relates to improvements to 40th Street entrance at Raymond H. Neri Community Park, improvements to Lealman Park and the 40th Street Sidewalk.

The Agency has no long term debt as of September 30, 2024.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

For the fiscal year 2025 adopted budget, revenues include \$4,814,440 of tax revenue and \$286,840 of investment earnings. Tax revenues consist of \$1,454,220 of tax increment financing contributed from the Municipal Service Taxing Unit (MSTU) and \$3,360,220 of tax increment financing contributed by Pinellas County. Total expenditures in the fiscal year 2025 budget are \$12,719,810, which include the following components:

- \$421,520 of contracted personnel services provided by Pinellas County
- \$9,920,490 of operating expenditures - grants & aids
- \$1,477,800 of other operating expenditures
- \$900,000 of capital outlay

Major initiatives in the upcoming fiscal year impacting the fiscal year 2025 budget adoption include the following:

- Neighborhood Revitalization through a Residential Site Improvement Grant program and revitalization of commercial corridors through a Commercial Site Improvement Grant program.
- The completion of the Joe's Creek Industrial District Master Plan to provide a strategic framework from which land use changes could be considered and be aligned with what the real estate market can support as well as provide an a sheet pile evaluation and assessments of the utility and stormwater systems within the study area.
- The completion of Lealman Park Lighting Improvements, continue maintenance and clearing of the alleyways for aesthetic, connectivity and public safety benefits, continuation of the Mural Program and continuation of our Housing Investment Program through a contract with Habitat for Humanity for the construction of affordable housing.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, 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 for interested parties. If you have questions about this report, contact the Office of Ken Burke, Clerk of the Circuit Court and Comptroller, Pinellas County, FL, P. O. Box 2438, Clearwater, Florida 33757 or email CLERKINFO@mypinellasclerk.gov.

BASIC FINANCIAL STATEMENTS

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
STATEMENT OF NET POSITION
September 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,358,692
Investments	7,491,548
Accrued interest receivable	49,249
Capital assets not being depreciated:	
Construction in progress	948,859
Capital assets being depreciated (net of accumulated depreciation):	
Building improvements	134,300
Total assets	<u>9,982,648</u>
LIABILITIES	
Accounts payable and other current liabilities	174,364
Total liabilities	<u>174,364</u>
NET POSITION	
Net investment in capital assets	1,083,159
Restricted for:	
Redevelopment plan	8,725,125
Total net position	<u>\$ 9,808,284</u>

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

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

	Governmental Activities
EXPENSES	
Economic environment	\$ 1,470,307
Total expenses	<u>1,470,307</u>
PROGRAM REVENUE	
Operating contributions	<u>70,000</u>
Total program revenue	<u>70,000</u>
GENERAL REVENUE	
Taxes	3,921,203
Investment income (loss)	452,906
Miscellaneous	<u>111</u>
Total general revenue	<u>4,374,220</u>
INCREASE IN NET POSITION	2,973,913
Net position - beginning of year	<u>6,834,371</u>
Net position - end of year	<u><u>\$ 9,808,284</u></u>

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

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
BALANCE SHEET
GOVERNMENTAL FUND
September 30, 2024

	<u>General Fund</u>
ASSETS	
Cash	\$ 1,358,692
Investments	7,491,548
Accrued interest receivable	<u>49,249</u>
Total assets	<u><u>\$ 8,899,489</u></u>
LIABILITIES	
Vouchers payable	\$ 164,879
Accrued liabilities	<u>9,485</u>
Total liabilities	<u><u>174,364</u></u>
FUND BALANCE	
Restricted	<u>8,725,125</u>
Total fund balance	<u>8,725,125</u>
Total liabilities and fund balance	<u><u>\$ 8,899,489</u></u>

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

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2024

Total fund balance - governmental fund	\$	8,725,125
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, not reported in the fund	<u>1,083,159</u>
Total net position - governmental activities	<u><u>\$ 9,808,284</u></u>

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

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUND
For the Year Ended September 30, 2024

	<u>General Fund</u>
REVENUES	
Taxes	\$ 3,921,203
Investment income (loss)	452,906
Contribution from Pinellas County	70,000
Miscellaneous	111
Total revenues	<u>4,444,220</u>
EXPENDITURES	
Current	
Economic environment	1,454,507
Capital outlay	275,388
Total expenditures	<u>1,729,895</u>
Net change in fund balance	2,714,325
Fund balance - beginning	<u>6,010,800</u>
Fund balance - ending	<u><u>\$ 8,725,125</u></u>

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

Pinellas County, Florida

COMMUNITY REDEVELOPMENT AGENCY

(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Net change in fund balance - total governmental fund	\$	2,714,325
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Amounts reported for governmental activities in the statement of activities are
different because:

Capital outlays are reported as expenditures in the governmental funds. However,
the cost of those assets is allocated over their estimated useful lives and reported
as depreciation and amortization expense in the statement of activities. In the
current period these amounts are:

Capital outlay	275,388	
Depreciation expense	<u>\$ (15,800)</u>	
		<u>259,588</u>

Change in net position - governmental activities	<u>\$</u>	<u>2,973,913</u>
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The accompanying notes are an integral part of these financial statements.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 1 - Summary of Significant Accounting Policies

A. Summary of Significant Accounting Policies

The Pinellas County Community Redevelopment Agency's (Agency) financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles in the United States of America. The more significant of the Agency's accounting policies are described below.

B. The Reporting Entity

Pinellas County Community Redevelopment Agency was established by the Board of County Commissioners (Board) of Pinellas County, Florida (County) on June 07, 2016 through Resolution No. 16-40. The Board declared the Lealman Study Area of Pinellas County to be a blighted area, known as the Lealman Community Redevelopment Area (CRA). As this district is in the Board's unincorporated area, the General Fund of the County contributes Tax Increment Financing (TIF) resources based on both the Countywide and the Municipal Service Taxing Unit (MSTU) property tax collections. The County's obligation to annually appropriate to the fund continues until 2046. The creation of the CRA district is enabled by the Community Redevelopment Act of 1969, as amended, and codified as Part III, Chapter 163, Florida Statutes (the Redevelopment Act).

While the Agency is a separate legal entity, it is treated as a blended component unit of the County and is part of the County's primary government operations for financial reporting purposes. The Agency is reported as a special revenue fund of the Board and is included in the County's Annual Comprehensive Financial Report as a nonmajor governmental fund. This standalone report of the Agency is not a complete presentation of the Board.

C. Basis of Presentation, Basis of Accounting

Basis of Presentation

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide statements and fund financial statements. Governmental activities, which are activities supported primarily by taxes and intergovernmental revenues, are reported separately from business-type activities, which are supported by fees and charges. The Agency does not have any business-type activities and only has governmental activities.

Government-wide Statements. The statement of net position and the statement of activities report information on the primary government. These statements distinguish between governmental activities, normally financed through taxes, intergovernmental revenues and other nonexchange activities.

The statement of activities presents a comparison of direct expenses and program revenues for each governmental function of the Agency. Direct expenses are those associated with a specific function or segment. Program revenues include: (a) fees, fines, and charges for services paid by the recipients of the goods or services provided by programs, and (b) grants and contributions restricted to meeting the requirement of a particular program. General revenues include all taxes and other revenue not classified as program revenue. Program revenue consists of operating and capital contributions.

Fund Financial Statements. The fund financial statements provide information about the Agency's governmental fund. The Agency reports all of its operations in a single governmental fund, which is the General Fund. This fund is used to account for TIF revenues and investment earnings thereon that fund redevelopment activities in the CRA district. These specific revenue sources are legally restricted to expenditures for this specific purpose.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

Measurement Focus, Basis of Accounting

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized at the time liabilities are incurred, regardless of the timing of related cash flows. Nonexchange transactions include property taxes, grants, entitlements, and donations. Property taxes are recognized as revenue in the fiscal year for which taxes are levied. Grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements are met.

Fund Financial Statements. The fund financial statements report information at a higher level of detail, focusing on the reporting of the individual major fund, rather than consolidating the information into the broad category of governmental activities. The Agency's General Fund is classified as a governmental fund. Governmental funds are reported using the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they are available and measurable, generally meaning revenues that are collected with 60 days after year end. Expenditures are recognized at the time liabilities are incurred, if measurable.

D. Cash and Cash Equivalents and Investments

The Agency considers all cash on hand, demand deposits, cash with fiscal agent, revolving funds and short-term investments, including restricted assets with original maturities of three months or less from acquisition date to be cash and cash equivalents. The Agency's monies are held by the County's bank deposits and the majority of investments are pooled for investment purposes. Earnings from pooled activity are allocated based on a participating fund's average daily cash and investment balance.

Investments are stated at fair value.

E. Receivables

The Agency's receivable balance of \$49,249 consists of interest earned by the Agency through the County's pooled cash and investment program but not yet received in cash as of September 30, 2024.

F. Capital Asset

Capital assets of the Agency include equipment and construction in progress. Capital assets are items with individual costs that meet or exceed the Agency's capitalization threshold and have useful lives of more than one year. Purchased or constructed capital assets are recorded at cost or estimated historical costs. Donated assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not increase the value or useful life of the asset is not capitalized. Capital assets are depreciated over their useful lives unless they are inexhaustible. Depreciation is provided using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>	<u>Capitalization Threshold</u>
Building Improvements	10	\$20,000
Equipment	5-20	\$5,000

G. Fund Balances

Fund balances are reported in classifications depending on whether the amounts are spendable or nonspendable. Spendable amounts are further classified based on external and/or internal constraints. The Agency has no nonspendable fund balance.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

Within the spendable classification, restricted fund balance can only be spent for specific purposes imposed by external parties such as creditors, grantors, contributors, or laws or regulations imposed by law through constitutional provisions or enabling legislation. Chapter 163, Part III, Florida Statutes, regulates community redevelopment and requires that monies may only be expended for undertakings of a community redevelopment agency as described in its community redevelopment plan and only pursuant to an annual budget adopted by the board of commissioners of the community redevelopment agency and for specific purposes outlined within Section 163.387(6)(c), Florida Statutes. Thus, the entire amount of the Agency's spendable fund balance is classified as restricted.

H. Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management of the Community Redevelopment Agency to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

NOTE 2 - Cash and Investments

The Agency does not currently maintain accounts with either financial institutions or brokerages titled under its name. Cash and investments as presented in these financial statements reflects Agency's equity in the County's pooled cash and investments. The County serves as the Agency's fiscal agent and maintains the Agency's deposits in the County's cash pool. The consolidated cash pool concept allows each participating fund of the County to benefit from the economies of scale and improved yield which are inherent within a larger investment pool.

Custodial Credit Risk – Deposits

According to Chapter 280, Florida Statutes, County monies must be deposited with financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida. In accordance with this statute, qualified public depositories are required to pledge eligible collateral in varying percentages. Any losses to public depositors are covered by applicable deposit insurance, by the sale of pledged securities and, if necessary, by assessments against other qualified public depositories. At fiscal year end, all deposits were covered by Federal depository insurance or by pledged collateral.

Credit Risk – Investments

The County's investment policy limits credit risk by restricting investments to the list provided above. Money market funds must maintain the highest credit quality rating from a nationally recognized statistical rating organization. Commercial paper must have a credit quality rated A1, P1 from a nationally recognized statistical rating organization.

Custodial Credit Risk – Investments

The County's investment policy requires the County to execute a third-party custodial safekeeping agreement with a commercial bank's trust department, which is separately chartered by the United States Government or the State of Florida. All securities purchased and collateral obtained by the County shall be properly designated as an asset of the County and held in safekeeping by the trust department.

Concentration of Credit Risk – Investments

The County's investment policy provides guidelines on maximum limits for security diversification with the option to further restrict or increase investment percentages from time to time based on market conditions, with bond covenant requirements excluded from the composition calculation. The portfolio was maintained within those guidelines.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

Interest Rate Risk – Investments

Section 218.415 of the Florida Statutes requires that the County's investment policy be structured to place the highest priority on the safety of principal and liquidity of funds. Investment of construction funds, bond fund reserves, and other non-operating funds shall have a term appropriate to the need of the funds, but in no event shall the maturities exceed five years. Reserve funds may be invested up to ten years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds. The weighted average duration of the portfolio shall not exceed three years. No surplus funds may be invested in a derivative investment, as defined in Section 218.45(5), Florida Statutes.

NOTE 3 - Capital Assets

Capital asset activity for the fiscal year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Construction in progress	\$ 673,471	\$ 275,388	\$ –	\$ 948,859
Total capital assets not being depreciated	<u>673,471</u>	<u>275,388</u>	<u>–</u>	<u>948,859</u>
Capital assets being depreciated:				
Building improvements	158,000	–	–	158,000
Equipment	24,685	–	–	24,685
Total capital assets being depreciated	<u>182,685</u>	<u>–</u>	<u>–</u>	<u>182,685</u>
Less accumulated depreciation for:				
Building improvements	(7,900)	(15,800)	–	(23,700)
Equipment	(24,685)	–	–	(24,685)
Total accumulated depreciation	<u>(32,585)</u>	<u>(15,800)</u>	<u>–</u>	<u>(48,385)</u>
Capital assets, net	<u>\$ 823,571</u>	<u>\$ 259,588</u>	<u>\$ –</u>	<u>\$ 1,083,159</u>

Depreciation expense of \$15,800 was charged to economic environment program expenses within governmental activities.

NOTE 4 - Risk Management

As of September 30, 2024 the Agency had not separately established a Risk Management Fund or Pool. Insurance coverage is provided entirely through the County's risk management pool for property, general liability, employee liability, and workers' compensation coverage. All risk from such claims is borne by the County.

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 5 - Related Party Transactions

During the fiscal year ended September 30, 2024, the Agency incurred expenditures for contractual services provided by the County totaling \$402,988. Of that amount, \$347,988 related to personal service charges for the use of County employees performing functions of the Agency and \$55,000 of intergovernmental cost allocations and other County charges.

As of September 30, 2024, the Agency owed the County \$9,485 for accrued wages and benefits of County employees providing services on behalf of the Agency.

REQUIRED SUPPLEMENTARY INFORMATION

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 3,234,000	\$ 3,234,000	\$ 3,921,203	\$ 687,203
Operating contributions	—	70,000	70,000	—
Investment income (loss)	28,500	28,500	452,906	424,406
Miscellaneous	70,000	—	111	111
Total revenues	<u>3,332,500</u>	<u>3,332,500</u>	<u>4,444,220</u>	<u>1,111,720</u>
EXPENDITURES				
Current				
Economic environment	8,498,300	8,498,300	1,454,507	7,043,793
Capital outlay	300,000	300,000	275,388	24,612
Total expenditures	<u>8,798,300</u>	<u>8,798,300</u>	<u>1,729,895</u>	<u>7,068,405</u>
Net changes in fund balance	(5,465,800)	(5,465,800)	2,714,325	8,180,125
Fund balance - beginning	<u>5,465,800</u>	<u>5,465,800</u>	<u>6,010,800</u>	<u>545,000</u>
Fund balance - ending	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 8,725,125</u>	<u>\$ 8,725,125</u>

Pinellas County, Florida
COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2024

Section 189.016, Florida Statutes, governs the preparation, adoption, and administration of the Agency's annual budget. The budget shall be balanced: that is, the total of the estimated receipts, including balances brought forward, shall equal the total of the appropriations and reserves. The budget for the Agency's fund is prepared in accordance with GAAP, using the modified accrual basis of accounting.

The annual budget, both operating and capital improvement, serves as the legal authorization for expenditures. Any revision that alters the total expenditures is presented to the Board's chairman and the Board of County Commissioners for approval. In instances where budget appropriations and estimated revenues have been revised during the year, the budget data presented in the Agency's financial statements represents final authorized amounts. Expenditures may not legally exceed budgeted appropriations at the fund level.

The adopted budget cannot be changed except by an amendment or a budget supplement. The budgetary data presented is as amended by the Board for the fiscal year. State statutes provide that the Board may amend the adopted budget when:

1. Appropriations for a fund are increased and decreased by the same amount so that total appropriations do not change;
2. Reserves for future construction and improvements are appropriated by a resolution;
3. A receipt from a source not anticipated in the budget and received for a particular purpose may be appropriated by a resolution; and
4. A receipt from a source not anticipated in the budget and not designated for a particular purpose is presented by budget supplement to the Board.

This requires proper public notice to allow public comments before adoption.

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*

Independent Auditor's Report

Honorable Board of County Commissioners
Pinellas County Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and the general fund of the Pinellas 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 18, 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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, grant agreements and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management of the CRA in a separate management letter and Independent Accountant's Report dated April 18, 2025.

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.

Forvis Mazars, LLP

**Tampa, Florida
April 18, 2025**

Independent Auditor's Management Letter

Honorable Board of County Commissioners
Pinellas County Community Redevelopment Agency

We have audited the basic financial statements of the Pinellas County Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated April 18, 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 Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated April 18, 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 recommendations made in the preceding audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is 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 that we 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 identification of the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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 218.38(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.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, see attachment A.

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 which warrants the attention of those charged with governance. In connection with our audit, we did not have 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.

Forvis Mazars, LLP

Tampa, Florida
April 18, 2025

ATTACHMENT A

Information required by
Rules of the Auditor General, Chapter 10.550, Local Government Entity Audits, 10.554 (1)(i).6
UNAUDITED

		Pinellas County Community Redevelopment Agency
a.	The total number of district employees compensated in the last pay period of the district's fiscal year being reported:	2
b.	The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year being reported:	0
c.	All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency:	\$ 347,988
d.	All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency:	\$ -
e.	Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project:	None
f.	A budget variance report 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:	See page 19 of the financial statements

Independent Accountant's Report

Honorable Board of County Commissioners
Pinellas County Community Redevelopment Agency

We have examined the Pinellas County Community Redevelopment Agency's (the "CRA") compliance with the requirements of Sections 163.387(6), 163.387(7) and 218.415, Florida Statutes, during the year ended September 30, 2024. 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 with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the CRA's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of 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 CRA's compliance with specified requirements.

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

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

Forvis Mazars, LLP

Tampa, Florida
April 18, 2025