



Gulf Breeze Community Redevelopment Agency

A Component Unit of the City of Gulf Breeze, Florida

Financial Statements

September 30, 2024



FINANCIAL SECTION

Independent Auditor's Report 1

Management's Discussion and Analysis 4

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position 10

Statement of Activities 11

Fund Financial Statements:

Balance Sheet – Governmental Fund 12

Reconciliation of the Balance Sheet of the Governmental Fund to the
Statement of Net Position 13

Statement of Revenues, Expenditures and Changes in
Fund Balance – Governmental Fund 14

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of the Governmental Fund to the Statement of Activities 15

Notes to Financial Statements 16

Required Supplementary Information:

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Community Redevelopment Agency Fund 25

Budgetary Notes to Required Supplementary Information 26

COMPLIANCE SECTION

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* 27

Independent Auditor's Management Letter 29

Independent Accountant's Report on Compliance with Local Government
Investment Policies 32

Independent Accountant's Report on Compliance with Redevelopment Trust Fund 33



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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Gulf Breeze Community Redevelopment Agency
Gulf Breeze, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Community Redevelopment 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 Community Redevelopment 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.

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 Community Redevelopment 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 Community Redevelopment 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 Community Redevelopment 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 June 27, 2025, on our consideration of the Community Redevelopment 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 Community Redevelopment 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 Community Redevelopment Agency's internal control over financial reporting and compliance.

Carr, Rigg & Ingram, L.L.C.

Fort Walton Beach, Florida

June 27, 2025

Gulf Breeze Community Redevelopment Agency Management's Discussion and Analysis

As management of the Gulf Breeze Community Redevelopment Agency, Florida (CRA), a component unit of the City of Gulf Breeze (the City), we offer readers of the CRA's financial statements this narrative overview and analysis of the financial activities of the CRA, for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here with the CRA's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the CRA exceeded its liabilities by approximately \$2.7 million (net position).
- The total net position increased by approximately \$533,000 or 24.6%.
- The governmental fund of the CRA reported ending fund balances of approximately \$5.0 million, a decrease of approximately \$2.6 million.
- Revenues totaled approximately \$1.7 million.
- Expenditures totaled approximately \$3.73 million, and the CRA transferred approximately \$588,000 to other funds.
- The CRA's total assets increased by approximately \$200,000 or 1.7% from the prior year.
- The CRA's total liabilities decreased by approximately \$330,000 or 3.3% from the prior year.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements are comprised of three components: – government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

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

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

The statement of activities presents information showing how CRA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Gulf Breeze Community Redevelopment Agency Management's Discussion and Analysis

Both of the government-wide financial statements present functions of the CRA that are principally supported by taxes and intergovernmental revenues (governmental activities). All activities of the CRA are reported as general government activities or capital outlay.

Fund financial statements- A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The CRA only has one governmental fund.

Funds

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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 useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the CRA's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The CRA adopts an annual appropriated budget for its fund. A budgetary comparison statement is provided for the fund to demonstrate compliance with the budget.

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets exceeded liabilities by approximately \$2.2 million at the close of the most recent fiscal year.

Gulf Breeze Community Redevelopment Agency Management's Discussion and Analysis

The following table reflects the condensed statement of net position:

Community Redevelopment Agency's Net Position

	2024	2023
Current and other assets	\$ 5,196,693	\$ 7,686,737
Capital assets, net	7,225,823	4,532,986
Total assets	12,422,516	12,219,723
Current liabilities	270,671	168,873
Noncurrent liabilities	9,450,775	9,882,342
Total liabilities	9,721,446	10,051,215
Net Position:		
Net investment in capital assets	1,997,044	1,664,464
Restricted	704,026	504,044
Total net position	\$ 2,701,070	\$ 2,168,508

The CRA's net investment in capital assets (e.g. buildings, improvements) totaled approximately \$2.0 million at September 30, 2024. This represents the capital assets net of the redevelopment revenue note with remaining unspent note amounts of approximately \$4.2 million added back. The CRA uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The remaining portion of the CRA's net position of approximately \$705,000 represents resources that are subject to external restrictions on how they may be used.

Gulf Breeze Community Redevelopment Agency Management's Discussion and Analysis

Governmental Activities - Governmental activities before transfers increased the CRA's net position approximately \$533,000. The key elements of this change are reported below.

Community Redevelopment Agency Component Change from Prior Year in Net Position

	2024	2023
General revenues:		
Taxes	\$ 1,717,018	\$ 1,542,370
Miscellaneous	-	4,223
Total revenue	1,717,018	1,546,593
Expenses:		
Governmental activities:		
General government	393,205	879,439
Debt service interest	203,192	213,303
Total expenses	596,397	1,092,742
Change in net position before transfers	1,120,621	453,851
Transfers	(588,059)	(588,059)
Change in net position	532,562	(134,208)
Net position - beginning	2,168,508	2,302,716
Net position - ending	\$ 2,701,070	\$ 2,168,508

For comparative purposes, total revenues for governmental activities increased \$170,425 or 11.0% over the prior fiscal year primarily because of an increase in property taxes.

Expenses decreased \$496,345 or 45.4%, primarily related to a \$500,000 grant paid during the prior year to a private entity.

Gulf Breeze Community Redevelopment Agency Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE CRA'S FUNDS

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

Governmental funds. The fund is used specifically for improvements within the City's defined commercial Tax Increment Financing ("TIF") district. Long-term planning and projects within the district are managed by the CRA as defined in the CRA plan. The CRA plan is approved by Santa Rosa County taxing authorities and City Council Resolution 19-89, as required under Chapter 163, Part III, and Florida Statutes. These tax revenues are also used to support and enhance economic development within the district, some of these costs include traffic management, lighting, and landscaping costs. The fiscal year end fund balance in the CRA is \$4,992,177 and these funds will be used towards projects as based on the renewed 30-year plan submitted to the Florida Department of Economic Opportunity in 2020.

At the end of the current fiscal year, the CRA governmental fund reported ending fund balance of \$4,992,177, which represents a decrease of \$2,596,179 or 34.2% in comparison with the prior year. This significant decrease is the result of capital outlay expenditures, transfers to other funds, and payment of principal and interest relating to the Redevelopment Revenue Note.

Budgetary Highlights

An operating budget was established by the governing board for the CRA pursuant to the requirements of Florida Statutes. The budget to actual comparison, including the original budget and final adopted budget, is shown on page 25.

The CRA experienced an unfavorable variance in revenue and a favorable variance in expenditures of approximately \$20,000 and \$1.77 million, respectively, as compared to the final adopted budget. The variance in revenue was relatively insignificant; it comprised a difference of less than 1%. The variance in expenditures primarily relates to capital expenditures. The CRA did not expend its full capital outlay budget in the current year as projects did not progress all the way to completion.

Changes between the original and final adopted budgets for the year were primarily related to changes in expected capital outlay and their related effect on the expected appropriation of fund balance to cover the additional capital expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The increase in the CRA's total investment in capital assets for the current fiscal year was \$2,791,824 or approximately 57% above the prior year total investment. The accumulated depreciation related to capital assets increased \$98,987 or 24.6% above the prior fiscal year. Overall, the total investment in capital assets increased by \$2,692,837 or 59.4% (net investment less depreciation).

Gulf Breeze Community Redevelopment Agency Management's Discussion and Analysis

Community Redevelopment Agency's Capital Assets (net of depreciation)

	2024	2023
Buildings and improvements	\$ 2,460	\$ 2,460
Improvements other than buildings	93,110	63,117
Infrastructure	1,624,121	1,183,715
Construction in progress	6,007,605	3,686,180
Accumulated depreciation	(501,473)	(402,486)
Total capital assets	\$ 7,225,823	\$ 4,532,986

Notes Payable

At the end of the current fiscal year, the CRA had notes payable outstanding of \$9,450,755, which decreased by \$431,567 during the current fiscal year.

Additional information on the CRA's long-term debt can be found in Note 4 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the CRA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 1070 Shoreline Drive, Gulf Breeze, Florida 32561. The City's website address is www.cityofgulfbreeze.com.

BASIC FINANCIAL STATEMENTS

Gulf Breeze Community Redevelopment Agency
Statement of Net Position - Government-wide

<i>September 30, 2024</i>	Governmental Activities
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 5,196,693
Non-current assets	
Capital assets	
Non-depreciable	6,007,605
Depreciable	1,218,218
Total assets	12,422,516
LIABILITIES	
Current liabilities	
Accounts payable	204,516
Accrued interest	66,155
Revenue bonds payable	446,725
Noncurrent liabilities:	
Revenue bonds payable	9,004,050
Total liabilities	9,721,446
NET POSITION	
Net investment in capital assets	1,997,044
Restricted for:	
Community redevelopment	704,026
Total net position	\$ 2,701,070

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

Gulf Breeze Community Redevelopment Agency Statement of Activities - Government-wide

For the year ended September 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 393,205	\$ -	\$ -	\$ -	\$ (393,205)
Debt service interest	203,192	-	-	-	(203,192)
Total governmental activities	\$ 596,397	\$ -	\$ -	\$ -	(596,397)

General revenues:

Taxes

Property taxes	1,717,018
Total general revenues	1,717,018
Transfers, net	(588,059)
Change in net position	532,562
Net position, beginning of year	2,168,508
Net position, end of year	\$ 2,701,070

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

Gulf Breeze Community Redevelopment Agency
Balance Sheet – Governmental Fund

<i>September 30, 2024</i>	Community Redevelopment Agency
ASSETS	
Cash and cash equivalents	\$ 5,196,693
Total assets	\$ 5,196,693
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 204,516
Total liabilities	204,516
Fund balance:	
Restricted	
Community redevelopment	4,992,177
Total fund balance	4,992,177
Total liabilities and fund balance	\$ 5,196,693

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

Gulf Breeze Community Redevelopment Agency
Reconciliation of the Balance Sheet of the Governmental Fund
to the Statement of Net Position

As of September 30, 2024

Total fund balance for the governmental fund	\$ 4,992,177
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	7,225,823
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund.	(9,516,930)
Net position of governmental activities	\$ 2,701,070

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

Gulf Breeze Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance –
Governmental Fund

<i>For the year ended September 30, 2024</i>	Community Redevelopment Agency
Revenues	
Taxes	\$ 1,717,018
Total revenues	1,717,018
Expenditures	
Current:	
General government	294,218
Capital outlay	2,791,824
Debt service:	
Principal	431,567
Interest	207,529
Total expenditures	3,725,138
Excess (deficit) of revenues over expenditures	(2,008,120)
Other financing sources (uses)	
Transfers out	(588,059)
Net other financing sources (uses)	(588,059)
Net change in fund balance	(2,596,179)
Fund balance, beginning of year	7,588,356
Fund balance, end of year	\$ 4,992,177

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

Gulf Breeze Community Redevelopment Agency
Reconciliation of the Statement of Revenues, Expenditures and Changes 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	\$ (2,596,179)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.	2,692,837
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Governmental funds report principal repayments as expenditures. However in the statement of activities, these amounts reduce the outstanding liability balances.	431,567
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The change in accrued interest between the current and prior period is recorded on the Statement of Activities but not on the fund financial statements.	4,337
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Change in net position of governmental activities	\$ 532,562
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The accompanying notes are an integral part of this financial statement.

Gulf Breeze Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Gulf Breeze Community Redevelopment Agency (the "CRA") was established by the City of Gulf Breeze (the City) in December 1989 based on the Finding of Necessity documentation required pursuant to Chapter 163, Florida Statutes and is a blended component unit reported as a major governmental fund in the City's financial statements. Pursuant to City Ordinance 01-18 and Resolution No. 19-89, the City Council, including the Mayor, serve as the CRA board of directors who approves the annual operating budget and has operational responsibility for the component unit.

Revenue sources for the Agency consist primarily of property taxes. Any bond issue authorizations are approved by the City Council and the legal liability for the general obligation portion of the Agency's debt remains with the City.

The accompanying financial statements present only the operations of the CRA and are not intended to present the financial position and results of the City of Gulf Breeze, Florida. Complete financial statements for the City of Gulf Breeze, Florida may be obtained at the City's administrative office located at: 1070 Shoreline Dr. Gulf Breeze, FL 32561.

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are those 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. Some centralized expenses, to include an administrative overhead component, are included in fund direct expenses. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide information about the CRA's fund. The emphasis of fund financial statements is on the major governmental fund.

The CRA reports the following major governmental fund:

The *Community Redevelopment Agency Fund* is the CRA's operating fund. It accounts for all financial resources of the CRA.

Gulf Breeze Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recorded as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 CRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for certain grant revenues which are recognized as revenues in the same period in which the grant expenditures occurred. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset additions are reported as expenditures in the governmental fund.

The CRA's primary source of revenue is property taxes. The Santa Rosa County Tax Collector bills and collects property taxes for the CRA in accordance with the laws of the State of Florida. Property taxes attach as an enforceable lien on property as of the date of assessment and remain in effect until discharge by payment. Taxes are payable when levied (on November 1, or as soon thereafter as the assessment roll becomes available to the Tax Collector).

The following is the current property tax calendar:

Lien Date	January 1, 2023
Levy Date	November 1, 2023
Due Date	March 31, 2024
Delinquent Date	April 1, 2024

Discounts of 1% are granted for each month that taxes are paid prior to March 2024.

Revenue recognition criteria for property taxes under the GASB requires that property taxes expected to be collected within 60 days of the current period be accrued. No accrual has been made for 2024 ad valorem taxes because property taxes are not legally due until subsequent to the end of the fiscal year. Current year taxes, which are uncollected as of the end of the fiscal year, are generally immaterial in amount and highly susceptible to uncollectability and, therefore, are not recorded as a receivable as of September 30, 2024.

Gulf Breeze Community Redevelopment Agency Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The financial transactions of the CRA are recorded in one fund.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

Governmental funds focus on the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) and not net income. The CRA only has one fund which is used to account for the activities of the Gulf Breeze Community Redevelopment Agency. The CRA was established to enable the City to utilize tax increment financing (TIF) to foster improvements and redevelopment in the City's commercial corridor.

Assets, Liabilities, and Net Position or Fund Balances

Cash and cash equivalents

The CRA considers all highly liquid investments (including restricted assets) with a maturity of ninety days or less when purchased to be cash equivalents. Additionally, the CRA's equity in the City's investment pool is considered to be a cash equivalent since the City can deposit or effectively withdraw cash at any time without prior notice or penalty.

Deposits

Deposits may be exposed to custodial credit risk, which is the risk that in the event of a bank failure, the government's deposits may not be returned. The CRA manages its custodial credit risk by maintaining its deposits with Qualified Public Depositories, as defined in Chapter 280, Florida Statutes, which bear no custodial credit risk or are in institutions which meet the exemption requirements of Chapter 280. The exemptions qualify under the exemptions 280.03(e) or 280.03(f) as a deposit made in accordance with Chapter 17.57(g).

Gulf Breeze Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The provisions of Chapter 280 allow Qualified Public Depositories to participate in a multiple financial institution collateral pool to ensure the security for public deposits. All Qualified Public Depositories must place with the Treasurer of the State of Florida, securities which have a market value equal to 50% of all public funds on deposit at the end of each month in excess of any applicable deposit insurance. In the event of default by a qualified public institution, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories. Under this method, all deposits are fully insured or collateralized with securities held by the State Treasurer in the CRA's name.

Under GASBC Section 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in the notes to the financial statements.

As of September 30, 2024, the CRA has no investments in any external investment pool.

Receivables

Revenues receivable are reflected net of an allowance for doubtful accounts.

Restricted Assets

Certain resources in the CRA's General Fund have been set aside for certain projects and are classified as restricted assets because their use is limited by project requirements. These resources include proceeds received from the issuance of the \$10,700,000 Redevelopment Revenue Note, Series 2021.

Capital Assets

Capital assets, which include infrastructure assets (e.g., curbs and sidewalks, lighting systems, and similar items), are reported in the government-wide financial statements. The CRA defines capital assets with an initial cost more than the following:

Buildings and improvements	\$10,000
Infrastructure	\$10,000
Improvements other than buildings	\$10,000

Gulf Breeze Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The CRA chose not to retroactively report infrastructure in accordance with Phase III implementation of GASB Statement No. 34. The CRA's infrastructure consists of curbs and sidewalks, lighting systems, and similar items constructed or improved after 2003.

As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until the completion of the project with interest earned on invested proceeds over the same period.

Infrastructure assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building improvements	39
Infrastructure	20-40
Improvements other than buildings	15-27

Non-Current Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond issuance costs are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Classification of Fund Balance

GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Gulf Breeze Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balance classifications, under GASB 54, are comprised of the following:

- Restricted - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

This classification reflects not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

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

- *Net Investment in Capital Assets* - is intended to reflect the portion of net position which is associated with non-liquid, capital assets, net of related debt.
- *Restricted Net Position* - are liquid assets, generated from revenues and net bond proceeds, which are not accessible for general use because of third-party (statutory, bond covenant or granting agency) limitations. For financial statement presentation purposes, the CRA has included revenue bonds payable totaling approximately \$4.22 million as part of the calculation of net position restricted for community redevelopment. These amounts represent unspent proceeds from the Series 2021 Note.
-
- *Unrestricted Net Position* - represents unrestricted liquid assets.

Interfund Transactions

Interfund transactions (transactions between the CRA and the Primary Government) are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charged the appropriate benefitting fund, and reduces its related costs as reimbursements. All other interfund transactions are treated as transfers.

Use of Estimates

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

Gulf Breeze Community Redevelopment Agency

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 27, 2025, and determined there were no events that occurred that required disclosure.

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted by ordinance for all major governmental funds. All appropriations lapse at fiscal year-end except for appropriations related to multi-year capital projects.

Budgetary data reflected in the financial statements are established by the following procedures:

Prior to September 1, of each year, proposed budgets are received by the City Council from the City Manager. These proposed expenditures, along with all estimated receipts, taxes to be levied, and balances expected to be brought forward are considered by the City Council. The City Council requires such changes as deemed necessary, sets proposed millages, and establishes dates for tentative and final public budget hearings as prescribed by Florida Statutes.

Proposed budgets are advertised in a newspaper of general circulation in the City. Public hearings are conducted for the purposes of receiving input, responding to complaints, and providing reasons and explanations for intended actions to all citizens participating.

Prior to October 1, the budget for all governmental funds of the City is legally enacted through passage of an ordinance. Budget amendments are periodically passed through resolutions during the fiscal year. Budgeted beginning fund balance in the accompanying financial statements reflects planned utilization of prior years' unassigned fund balance to the level required to accomplish current year objectives.

The level of budgetary control (that is the level at which expenditures cannot legally exceed appropriations) has been established at the fund level. The City Manager and Finance Director are authorized to transfer budgeted amounts within departments of a fund and between departments of a fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Budget amounts reflected in the financial statements are originally adopted amounts and amounts as amended by action of the City Council by revision of fund totals.

Gulf Breeze Community Redevelopment Agency

Notes to Financial Statements

Note 3: CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Construction in progress	\$ 3,686,180	\$ 2,321,425	\$ -	\$ 6,007,605
Total capital assets, not being depreciated	3,686,180	2,321,425	-	6,007,605
Capital assets, being depreciated:				
Buildings and improvements	2,460	-	-	2,460
Improvements other than buildings	63,117	29,993	-	93,110
Infrastructure	1,183,715	440,406	-	1,624,121
Total capital assets being depreciated	1,249,292	470,399	-	1,719,691
Less accumulated depreciation for:				
Buildings and improvements	(1,107)	(123)	-	(1,230)
Improvements other than buildings	(37,888)	(9,593)	-	(47,481)
Infrastructure	(363,491)	(89,271)	-	(452,762)
Total accumulated depreciation	(402,486)	(98,987)	-	(501,473)
Total capital assets being depreciated, net	846,806	371,412	-	1,218,218
Total capital assets, net	\$ 4,532,986	\$ 2,692,837	\$ -	\$ 7,225,823

Depreciation expense was allocated fully to the community redevelopment function/program.

Note 4: NON-CURRENT LIABILITIES

Changes in Non-Current Liabilities

The following is a summary of changes in long-term debt and other non-current liabilities of the CRA:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes from direct borrowings:					
Redevelopment Revenue Note, Series					
2021	\$ 9,882,342	\$ -	\$ (431,567)	\$ 9,450,775	\$ 446,725
Total long-term liabilities	\$ 9,882,342	\$ -	\$ (431,567)	\$ 9,450,775	\$ 446,725

Gulf Breeze Community Redevelopment Agency Notes to Financial Statements

Note 4: NON-CURRENT LIABILITIES (Continued)

Description of Long-Term Debt and Other Liabilities Outstanding

	Current	Non-Current	Total
\$10,700,000, City of Gulf Breeze Community Redevelopment Agency, Florida, Redevelopment Revenue Note, Series 2021; due in annual installments of \$401,250 to \$676,775 through 2041; interest payable at 2.1%. Secured by pledged non-ad valorem revenues of the City. Proceeds used to finance certain capital improvements.	\$ 446,725	\$ 9,004,050	\$ 9,450,775

Annual Requirements to Amortize Debt Outstanding

The annual requirements to amortize debt outstanding as of September 30, 2024, are as follows:

<i>Years ending September 30,</i>	Series 2021 Redevelopment Revenue Note	
	Principal	Interest
2025	446,725	198,466
2026	461,883	189,086
2027	477,042	179,386
2028	492,200	169,368
2029	507,358	159,031
2030-2034	2,764,167	628,973
2035-2039	3,143,125	322,819
2040-2041	1,158,275	34,435
Totals	\$ 9,450,775	\$ 1,881,564

The City has pledged future tax incremental financing revenues to repay the \$10.7 million redevelopment revenue note issued in 2021. Proceeds from the bond will be used to finance certain capital improvements. Principal and interest paid for the current year totaled \$639,096. Net tax-incremental funding revenue totaled \$1,717,018.

Note 5: TRANSFERS

The CRA transferred approximately \$212,000 to the City's Stormwater Management Fund during the year ended September 30, 2024. In addition, the CRA made transfers of approximately \$94,000 each quarter to the General Fund. The CRA provides funding to defray the costs associated with law enforcement in the CRA, in addition to funds associated with defraying the payroll costs associated with planning and management of the area.

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

Gulf Breeze Community Redevelopment Agency
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual

<i>For the year ended September 30, 2024</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 1,737,423	\$ 1,737,423	\$ 1,717,018	\$ (20,405)
Total revenues	1,737,423	1,737,423	1,717,018	(20,405)
Expenditures				
Department:				
General government	202,598	202,598	294,218	(91,620)
Capital outlay	4,654,551	4,654,551	2,791,824	1,862,727
Debt service:				
Principal	431,567	431,567	431,567	-
Interest	207,529	207,529	207,529	-
Total expenditures	5,496,245	5,496,245	3,725,138	1,771,107
Excess (deficit) of revenues over expenditures	(3,758,822)	(3,758,822)	(2,008,120)	1,750,702
Other financing sources (uses)				
Transfers out	(588,059)	(588,059)	(588,059)	-
Net other financing sources (uses)	(588,059)	(588,059)	(588,059)	-
Appropriation of Fund Balance	3,981,875	3,981,875	-	(3,981,875)
Net change in fund balances	\$ (365,006)	\$ (365,006)	(2,596,179)	\$ (2,231,173)
Fund balances, beginning of year			<u>7,588,356</u>	
Fund balances, end of year			<u><u>\$ 4,992,177</u></u>	

Gulf Breeze Community Redevelopment Agency Budgetary Notes to Required Supplementary Information

Note 1. BUDGETARY INFORMATION

An annual budget is adopted by the CRA's Board on a basis consistent with U.S. generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

The CRA's Executive Director or their designee may make transfers of appropriations within a department as long as the total budget of the department is not increased. Transfers of appropriations between departments require the approval of the CRA's Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The CRA's Board made several supplemental budgetary appropriations during the year.

Encumbrance accounting is employed for this governmental fund. Open commitments are recognized as expenditures in the period in which the actual goods or services are received and a liability is incurred. Encumbrances (e.g., contracts) outstanding at year end for unfulfilled obligations are cancelled and reappropriated in the succeeding year's budget. Accordingly, there were no encumbrances outstanding at year end.

**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***

Board of Directors
Gulf Breeze Community Redevelopment Agency
Gulf Breeze, 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 Gulf Breeze Community Redevelopment Agency (the "CRA"), a component unit of the City of Gulf Breeze, 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, and have issued our report thereon dated June 27, 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 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 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

Fort Walton Beach, Florida

June 27, 2025

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Board of Directors
Gulf Breeze Community Redevelopment Agency
Gulf Breeze, Florida

Report on the Financial Statements

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

Official Title and Legal Authority

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

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Specific Information (unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6-8, Rules of the Auditor General, the CRA reported the information below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CRA reported:

- a. The total number of CRA employees compensated in the last pay period of the CRA's fiscal year as 1.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year as 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$31,068.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - Underground Highway 98 - total cost - \$8,800,137

- 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 CRA amends a final adopted budgeted under Section 189.016(6), Florida Statutes. The CRA did not amend its adopted budget.

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

Carr, Riggs & Ingram, L.L.C.

Fort Walton Beach, Florida
June 27, 2025



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CARR, RIGGS & INGRAM, L.L.C.

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

Board of Directors
Gulf Breeze Community Redevelopment Agency
Gulf Breeze, Florida

We have examined the Gulf Breeze Community Redevelopment Agency's (the "CRA's") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

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

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

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

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

This report is intended solely for the information and use of the CRA and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Fort Walton Beach, Florida
June 27, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH REDEVELOPMENT TRUST FUND

Board of Directors
Gulf Breeze Community Redevelopment Agency
Gulf Breeze, Florida

We have examined the Gulf Breeze Community Redevelopment Agency's (the "CRA's") compliance with the requirements of Sections 163.387(6) and (7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the CRA complied with the requirements of Sections 163.387(6) and (7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2024, in all material respects.

This report is intended solely for the information and use of the CRA and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Fort Walton Beach, Florida
June 27, 2025