



AGENDA
COMMUNITY REDEVELOPMENT AGENCY ADVISORY BOARD
REGULAR MEETING
APRIL 2, 2025
5:00 PM
CITY HALL COMMISSION CHAMBERS
204 ASH STREET
FERNANDINA BEACH, FL 32034

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PLEDGE OF ALLEGIANCE**
- 4. APPROVAL OF MINUTES**
- 5. PUBLIC COMMENT REGARDING ITEMS NOT ON THE AGENDA**
- 6. OLD BUSINESS**
 - 6.1 Review and recommendation for streetscape plan of N 2nd Street, between Alachua and Broome.
- 7. NEW BUSINESS**
- 8. BOARD BUSINESS**
 - 8.1 Proposed sunseting of CRA AB and formation of new Waterfront Board
- 9. STAFF REPORT**
 - 9.1 CRA Legislation (SB1242/HB991)
 - 9.2 CRA Plan Update
 - 9.3 Project Update
 - 9.4 2024 CRA Financial Statements
- 10. NEXT MEETING DATE - Wednesday, May 7, 2025 at 5PM**
- 11. ADJOURNMENT**

All members of the public are invited to be present and be heard. Persons with disabilities requiring accommodations in order to participate in this program or activity should contact the City Clerk at (904) 310-3115 or TTY/TDD 711 (for the hearing or speech impaired). All interested parties may appear at said meeting and be heard as to the advisability of any action, which may be considered with respect to such matter. For information regarding this matter, please contact the City Manager.

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach



SUBJECT:

ITEM TYPE: Old Business

REQUESTED ACTION:

SYNOPSIS:

FISCAL IMPACT:

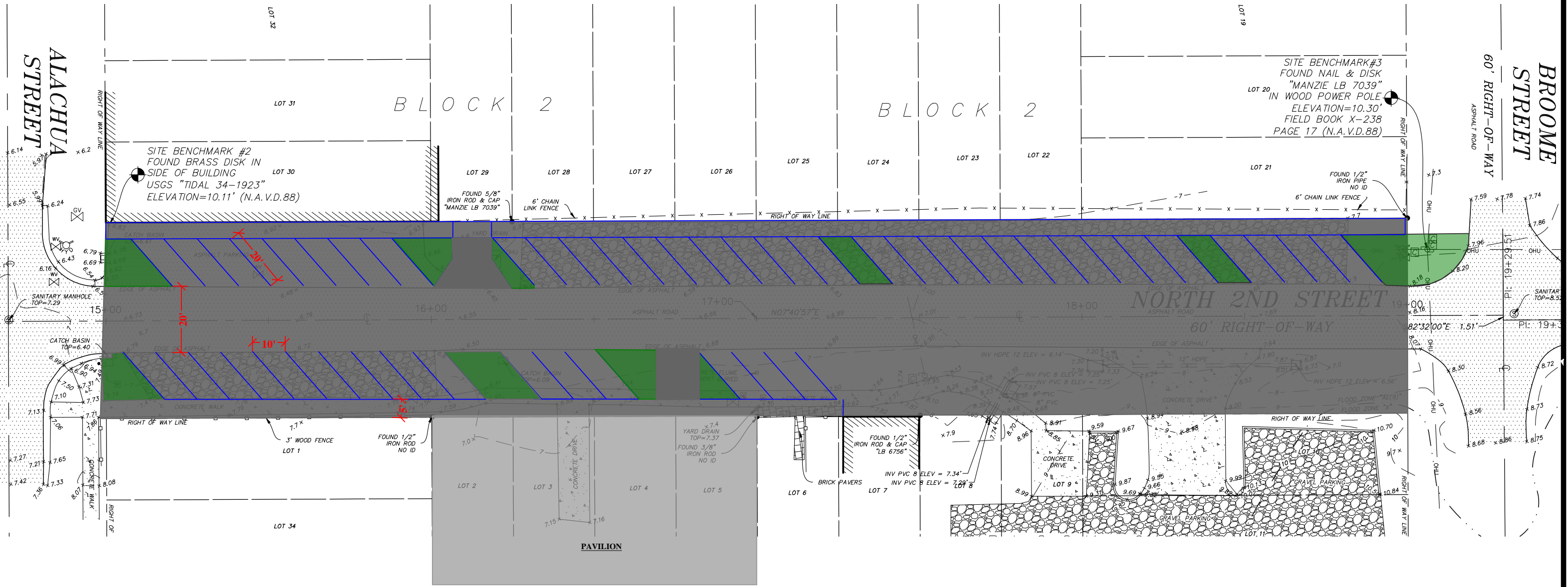
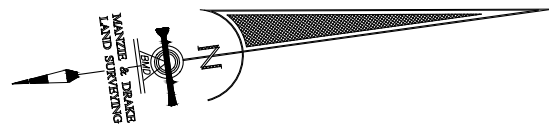
CITY ATTORNEY COMMENTS:

CITY MANAGER RECOMMENDATION(S):

Date: March 25, 2025

Submitted By: Lisa Finkelstein, Downtown Manager

COMMISSION ACTION:



NORTH 2ND STREET PARKING



NORTH 2ND STREET PARKING



FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: [CS/HB 991](#)

TITLE: Community Redevelopment Agencies

SPONSOR(S): Giallombardo

COMPANION BILL: [SB 1242](#)

LINKED BILLS: None

RELATED BILLS: [SB 1242](#) (McClain)

Committee References

[State Affairs](#)

17 Y, 8 N, As CS



[Ways & Means](#)

SUMMARY

Effect of the Bill:

The bill prohibits the creation of new community redevelopment agencies (CRAs) on or after July 1, 2025. The bill also revises the current schedule for termination of existing CRAs to provide that CRAs in existence as of July 1, 2025, terminate at the earlier of September 30, 2045, or the date provided in the CRA's charter. The bill eliminates the ability of counties and municipalities to approve the continued existence of CRAs and prohibits CRAs from initiating new projects or issuing new debt.

Fiscal or Economic Impact:

The bill will have a positive fiscal impact on counties, municipalities, and special districts that currently contribute to the redevelopment trust fund of a CRA by allowing those governments to retain funds that would otherwise be deposited in the redevelopment trust fund.

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[SUMMARY](#)

[ANALYSIS](#)

[RELEVANT INFORMATION](#)

[BILL HISTORY](#)

ANALYSIS

EFFECT OF THE BILL:

The bill prohibits the creation of new [community redevelopment agencies \(CRAs\)](#) on or after July 1, 2025. (Section [1](#))

The bill revises the current [schedule for termination](#) of existing CRAs to provide that CRAs in existence as of July 1, 2025, terminate on the earlier of the date provided in the CRA's charter as of July 1, 2025, or September 30, 2045 (instead of September 30, 2039), whichever date is earlier. The bill removes the ability of the governing body of a county or municipality that created the CRA to approve its continued existence by a majority vote. (Section [1](#))

The bill prohibits a CRA from initiating new projects or issuing new debt on or after October 1, 2025. The bill defines a "new project" as any project for which a CRA has not appropriated funds in its budget for the fiscal year ending September 30, 2025, or for which the CRA does not retain [redevelopment trust fund](#) monies as authorized by law for the fiscal year ending September 30, 2025. (Section [1](#))

The bill provides that if a CRA has outstanding [bonds](#) that will not mature until after the earlier of its dissolution date or September 30, 2045, the CRA will remain in existence until the bonds mature. A CRA operating in this manner on or after September 30, 2045, is prohibited from extending the maturity date of any outstanding bonds. The bill revises the current requirement for counties or municipalities that created a CRA that has outstanding bonds that mature after the dissolution deadline to issue a new finding of necessity to instead require those local governments to issue an amended community redevelopment plan. (Section [1](#))

The effective date of the bill is July 1, 2025. (Section [2](#))

STORAGE NAME: h0991a.SAC

DATE: 3/13/2025

FISCAL OR ECONOMIC IMPACT:

LOCAL GOVERNMENT:

The bill will have a positive fiscal impact on counties, municipalities, and special districts that currently contribute to the redevelopment trust fund of a CRA by allowing those local governments to retain funds that would otherwise be deposited in the redevelopment trust fund.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

[Community Redevelopment Agencies \(CRAs\)](#)

The Community Redevelopment Act of 1969 authorizes each county or municipality to create a CRA as a means for redeveloping slums and blighted areas in the community.¹ An area is considered a slum if it has elevated rates of disease, infant mortality, juvenile delinquency, poverty, or crime due to the large number of buildings or improvements in the area in a poor state of repair and has at least one of the following factors present:

- Inadequate ventilation, light, air, sanitation, or open spaces;
- High population density (compared to adjacent areas within the county or municipality) and overcrowding (as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code); or
- The existence of conditions that endanger life or property by fire or other causes.²

An area is considered blighted if there are a substantial number of deteriorated or deteriorating buildings that are causing economic distress or endangering the life or property of others and where two or more of the following factors are present:

- Inadequate or defective transportation facilities, including street layout, parking, roads, and bridges;
- Aggregate property values for property tax purposes have not increased in the past five years;
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- Unsanitary or unsafe conditions;
- Deterioration of property improvements;
- Inadequate and outdated building density patterns;
- Falling lease rates for office, commercial, or industrial space compared to the rest of the county or municipality;
- Tax or special assessment delinquency that exceeds the fair market value of the land;
- Residential and commercial vacancy rates higher in the area than in the rest of the county or municipality;
- Higher crime rates than the rest of the county or municipality;
- Higher volume of fire and emergency medical service calls than the rest of the county or municipality;
- Greater number of violations of the Florida Building Code than the number of violations recorded in the remainder of the county or municipality;
- Diversity of ownership or defective or unusual conditions of title that prevent the free alienability of land within the area;
- Governmentally-owned property with adverse environmental conditions caused by a public or private entity; or
- A substantial number or percentage of properties damaged by sinkhole activity that have not been adequately repaired or stabilized.³

An area also may be classified as blighted if one of the above factors is present and all taxing authorities with jurisdiction over the area have agreed that the area is blighted by interlocal agreement or by passage of a resolution by the governing bodies.⁴

¹ S. [163.356, F.S.](#) A charter county with a population less than or equal to 1.6 million may create more than one CRA if approved by a vote of a majority plus one of the entire governing body of the charter county. S. [163.356\(1\), F.S.](#)

² S. [163.340\(7\), F.S.](#)

³ S. [163.340\(8\), F.S.](#)

⁴ *Id.*

As of February 25, 2025, there are 213 CRAs in operation.⁵

Creation of a CRA

Before creating a CRA, a county or municipal government must adopt a resolution with a “finding of necessity.”⁶ The resolution must contain legislative findings supported by data and analysis that the area to be included in the CRA’s jurisdiction is either blighted or a slum area and that redevelopment of the area is necessary to promote the public health, safety, morals, or welfare of residents.⁷

A county or municipality may create a CRA upon the adoption of a finding of necessity and a finding that a CRA is necessary for carrying out the community redevelopment goals.⁸ A CRA created by a county may only operate within the boundaries of a municipality when the municipality has concurred by resolution with the community redevelopment plan adopted by the county. A CRA created by a municipality may not include more than 80 percent of the municipality if it was created after July 1, 2006.⁹

The ability to create, expand, or modify a CRA is also determined by the county’s status as a charter or non-charter county. In a charter county, the county possesses the authority to create CRAs within the county, but may delegate that authority to a municipality by interlocal agreement.¹⁰ In non-charter counties, the county does not have authority over the creation of CRAs by municipalities, including any modification of the redevelopment plan or expansion of CRA boundaries.¹¹

Scheduled Termination of CRAs

Current law provides for the dissolution of CRAs in existence on October 1, 2019, at the earlier of September 30, 2039, or the date provided in their respective charters as of October 1, 2019.¹² However, the governing body of the county or municipality that created the CRA may approve its continued existence beyond those dates by a majority vote. If a county or municipality does not approve the continued existence of a CRA, and the CRA has outstanding bonds that will not mature until after the agency’s dissolution date, the CRA remains in existence until the bonds mature.¹³ A CRA operating until its bonds mature may not extend the maturity date of any outstanding bonds on or after September 30, 2039, and the county or municipality that created the CRA must issue a new finding of necessity limited to timely meeting the remaining bond obligations of the agency.

Redevelopment Trust Fund

CRAs are not authorized to levy or collect taxes. Instead, the county or municipality that created the CRA may establish a community redevelopment trust fund that is funded through tax increment financing (TIF).¹⁴ The amount of TIF available to the CRA in a given year is equal to 95 percent of the difference between:

- The amount of ad valorem taxes levied in the current year by each taxing authority,¹⁵ excluding any debt service millage, on taxable real property within the boundaries of the community redevelopment area; and
- The amount of ad valorem taxes that would have been produced by levying the current year’s millage rate for each taxing authority, excluding any debt service millage, on taxable real property within the

⁵ See Florida Department of Commerce, [Official List of Special Districts](#) (last visited Feb. 25, 2025).

⁶ S. [163.355, F.S.](#)

⁷ *Id.*

⁸ S. [163.356\(1\), F.S.](#)

⁹ S. [163.340\(10\), F.S.](#)

¹⁰ S. [163.410, F.S.](#) If a municipality in a charter county created a CRA before the adoption of the county charter, the CRA continues to operate under provisions applicable for non-charter counties.

¹¹ S. [163.415, F.S.](#)

¹² S. [163.3755\(1\), F.S.](#)

¹³ S. [163.3755\(2\), F.S.](#)

¹⁴ S. [163.387, F.S.](#)

¹⁵ A “taxing authority” is defined as any “public body that levies or is authorized to levy an ad valorem tax on real property located in a community redevelopment area,” excluding school districts. S. [163.340, F.S.](#) In addition to school districts, special districts that levy ad valorem taxes in more than one county, special districts funded solely by ad valorem taxation, library districts (unless the CRA had validated bonds as of April 30, 1984), neighborhood improvement districts, metropolitan transportation authorities, water management districts, and hospital districts (if the CRA was created on or after July 1, 2016) are exempt from contributing to the redevelopment trust fund. In addition, CRAs may exempt other special districts following a specified procedure. S. [163.387\(2\)\(c\)-\(d\), F.S.](#)

boundaries of the community redevelopment area at the total assessed value of the taxable real property prior to the effective date of the ordinance providing for the redevelopment trust fund.¹⁶

For CRAs created on or after October 1, 2019, or a CRA created by Miami-Dade County on or after July 1, 1994, the governing body of the county or municipality may lower the TIF percentage, with a floor of 50 percent.¹⁷

Each taxing authority must transfer TIF funds to the redevelopment trust fund of the CRA by January 1 of each year.¹⁸ For CRAs created before July 1, 2002, each taxing authority must make an annual appropriation to the trust fund for a period of no more than 60 years from when the community redevelopment plan was adopted or no more than 30 years from when the plan was amended, whichever is less. For CRAs created on or after July 1, 2002, each taxing authority must make an annual appropriation to the trust fund for no more than 40 years from when the community redevelopment plan was adopted.¹⁹ If there are any outstanding loans, advances, or indebtedness at the conclusion of these periods, the local governing body that created the CRA must continue transfers to the redevelopment trust fund until the debt has been retired.²⁰

If a taxing authority does not transfer the TIF funds to the redevelopment trust fund, the taxing authority is required to pay a penalty of 5 percent of the TIF amount to the trust fund as well as 1 percent interest per month for the outstanding amount.²¹ A CRA may choose to waive these penalties in whole or in part.

Money in the redevelopment trust fund may only be spent pursuant to an annual budget adopted by the CRA board and may be used to pay for the following expenses:

- Administrative and overhead expenses necessary to implement a community redevelopment plan adopted by the CRA.
- Expenses of redevelopment planning, surveys, and financial analysis, including reimbursement of the governing body or the CRA for such expenses incurred before the redevelopment plan was approved and adopted.
- Acquisition of real property in the redevelopment area.
- Clearance and preparation of any redevelopment area for redevelopment and relocation of residents.
- Repayment of principal and interest or any redemption premium for loans, advances, bonds, bond anticipation notes, and any other form of indebtedness.
- Expenses related to the issuance, sale, redemption, retirement, or purchase of bonds, bond anticipation notes, or other form of indebtedness.
- Development of affordable housing within the community redevelopment area.
- Development of community policing innovations.²²
- Any expenses that are necessary to exercise the powers that have been granted to counties and municipalities for community redevelopment that have been delegated to the CRA.²³

If any money remains in the redevelopment trust fund at the end of a fiscal year, the CRA must:

- Return the money to each taxing authority in proportion to its contribution for that year;
- Use the funds to reduce the amount of any indebtedness to which increment revenues are pledged;
- Deposit the funds into an escrow account for the purpose of later reducing any indebtedness to which increment revenues are pledged; or
- Appropriate the funds to a specific redevelopment project pursuant to an approved community redevelopment plan.²⁴

¹⁶ S. [163.387\(1\), F.S.](#)

¹⁷ See [ch. 2019-163, s. 8, Laws of Fla.](#)

¹⁸ S. [163.387\(2\)\(a\), F.S.](#)

¹⁹ S. [163.387\(2\)\(a\), F.S.](#)

²⁰ S. [163.387\(3\)\(a\), F.S.](#)

²¹ S. [163.387\(2\)\(b\), F.S.](#)

²² A “community policing innovation” is a policing technique or strategy designed to reduce crime by reducing opportunities for, and increasing the perceived risks of engaging in, criminal activity through visible presence of police in the community, including, but not limited to, community mobilization, neighborhood block watch, citizen patrol, citizen contact patrol, foot patrol, neighborhood storefront police stations, field interrogation, or intensified motorized patrol. S. [163.340\(23\), F.S.](#)

²³ S. [163.387\(6\), F.S.](#)

If the funds are appropriated for a specific project, the funds may not be used for another purpose unless the project is amended, redesigned, or delayed, in which case the funds must be re-appropriated pursuant to the next annual budget adopted by the CRA board.²⁵

Revenue Bonds

A county, municipality, or CRA may issue revenue bonds for the purpose of financing redevelopment projects and may issue refunding bonds for the repayment or retirement of bonds or other obligations previously issued.²⁶ Any revenue bonds or other obligation issued by a CRA must mature within 40 years for CRAs created on or after July 1, 2002, or 60 years for CRAs created before July 1, 2002, after the end of the fiscal year in which the community redevelopment plan was initially adopted, but no later than the expiration date of the plan in effect at the time the bond or obligation was issued.

Any revenue bonds issued by the CRA are payable from revenues pledged to and received by the CRA and deposited into the redevelopment trust fund.²⁷ If increment revenues are pledged to repay any bond or other obligation, the maturity date of the bonds may not exceed 30 years from the fiscal year in which the first increment revenues were deposited in the trust fund for CRAs created before July 1, 2002, or 40 years for CRAs created on or after July 1, 2002.²⁸ The lien created by the revenue bonds does not attach to the funds until the revenues are deposited in the redevelopment trust fund and do not grant bondholders any right to require taxation in order to retire the bond.²⁹

Revenue bonds issued by a CRA are not a liability of the state or any political subdivision of the state and this status must be made clear on the face of the bond.³⁰

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
State Affairs Committee	17 Y, 8 N, As CS	3/13/2025	Williamson	Darden

- THE CHANGES ADOPTED BY THE COMMITTEE:
- Provides a definition for “new project.”
 - Revises the requirement for counties or municipalities that created a CRA that has outstanding bonds that mature after the dissolution deadline to issue a new finding of necessity to instead issue an amended community redevelopment plan.

[Ways & Means Committee](#)

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

²⁴ S. [163.387\(7\), F.S.](#)
²⁵ S. [163.387\(7\)\(d\), F.S.](#)
²⁶ S. [163.385\(1\)\(a\), F.S.](#)
²⁷ S. [163.387\(4\), F.S.](#)
²⁸ S. [163.385\(1\)\(a\), F.S.](#)
²⁹ S. [163.387\(4\), F.S.](#)
³⁰ S. [163.387\(5\), F.S.](#)

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach



SUBJECT:

ITEM TYPE: Old Business

REQUESTED ACTION:

SYNOPSIS:

FISCAL IMPACT:

CITY ATTORNEY COMMENTS:

CITY MANAGER RECOMMENDATION(S):

Date: March 25, 2025

Submitted By: Lisa Finkelstein, Downtown Manager

COMMISSION ACTION:

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024**

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**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AREA
(A Component Unit of the City of Fernandina Beach, Florida)
FINANCIAL STATEMENTS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Executive Director
Amelia River Waterfront Community Redevelopment Agency
Fernandina Beach, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund (the "General Fund") of the Amelia River Waterfront Community Redevelopment Agency (the "CRA"), a component unit of the City of Fernandina Beach, 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 above present fairly, in all material respects, the respective financial position of the governmental activities, and major fund (the "General Fund") of the CRA, as of September 30, 2024, and the respective changes in financial position and budgetary comparison for the General Fund 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 CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 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 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 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 on pages 4 through 8 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 March 4, 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, 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 CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 4, 2025

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**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report presents our discussion and analysis of the performance of the Amelia River Waterfront Community Redevelopment Agency (the "CRA") during the year ended September 30, 2024. Please read it in conjunction with the CRA's financial statements, which follow this section.

Financial Highlights

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$472,839 (net position). Of this amount, \$58,834 was included in the unrestricted category.
- The CRA's total net position increased by \$171,153 over the course of this year's operations. This increase was primarily attributable to less than anticipated spending in redevelopment programs.
- The CRA's General Fund reported an ending fund balance of \$1,073,523, an increase of \$101,665 from the prior period. This is attributable to increases in Property Tax revenue and Investment income.

Overview of the Financial Statements

The financial section of this annual report consists of two parts: (1) Management's Discussion and Analysis (this section), and (2) the basic financial statements.

Basic Financial Statements

Government-wide financial statements. The focus of the *government-wide financial statements* is on the overall financial position and activities of the CRA. Reporting is similar to that of a private-sector business. The government-wide financial statements report information about the CRA as a whole and about its activities in a way that helps answer questions about the financial health of the CRA and whether the activities of the year contributed positively or negatively to that health.

The government-wide financial statements include the statement of net position and statement of activities.

- The *Statement of Net Position* presents information on the assets held and liabilities owed by the CRA, both long- and short-term. Assets are reported when acquired and liabilities are reported when they are incurred, regardless of the timing of the related cash flows to acquire these assets or liquidate such liabilities. For example, the CRA reports buildings and infrastructure as assets, even though they are not available to pay the obligations incurred by the CRA. On the other hand, the CRA reports liabilities, even though these liabilities might not be paid until several years into the future.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The difference between the CRA's total assets and total liabilities is *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating. Although the purpose of the CRA is not to accumulate net position in general, as this amount increases, it indicates that the financial position of the CRA is improving over time.

- The *Statement of Activities* presents the revenues and expenses of the CRA. The items presented on the statement of activities are measured in a manner like the approach used in the private sector in that revenues are recognized when earned and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Both government-wide financial statements distinguish functions of the CRA that are principally supported by taxes and intergovernmental revenue (governmental activities). The governmental activities of the CRA are mainly economic environment activities.

Fund financial statements. The focus of fund financial statements is directed to specific activities of the CRA. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The CRA has only one governmental fund, a General Fund. Financial statements consist of a balance sheet and a statement of revenue, expenditures, and change in fund balance. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables but do not include capital assets such as land and buildings. The difference between a fund's total assets and total liabilities is the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. The operating statement for governmental funds reports only those revenues that were collected during the current period or very shortly after the end of the year. Expenditures are generally recorded when incurred.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because different accounting bases are used to prepare governmental fund financial statements and government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the governmental fund balance sheet that reconciles the total fund balance for the governmental fund to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis after the statement of revenue, expenditures, and changes in fund balance that reconciles the total change in fund balance for the General Fund to the change in net position as reported in the governmental activities column in the statement of activities.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Government-Wide Financial Analysis

The table below presents a summary of net position as of September 30, 2024 and 2023 derived from the government-wide statement of net position:

Statement of Net Position

	2024	2023	Change
Current and other assets	\$ 1,081,570	\$ 996,963	\$ 84,607
Capital assets	414,005	394,908	19,097
Total assets	<u>\$ 1,495,575</u>	<u>\$ 1,391,871</u>	<u>\$ 103,704</u>
Long-term liabilities	\$ 1,013,103	\$ 1,063,407	\$ (50,304)
Other liabilities	9,633	26,778	(17,145)
Total liabilities	<u>\$ 1,022,736</u>	<u>\$ 1,090,185</u>	<u>\$ (67,449)</u>
Investment in capital assets	\$ 414,005	\$ 394,908	\$ 19,097
Unrestricted	58,834	(93,222)	152,056
Total net position	<u>\$ 472,839</u>	<u>\$ 301,686</u>	<u>\$ 171,153</u>

As noted earlier, net position may serve, over time, as a useful indication of the CRA's financial position. At the close of the most recent fiscal year, the CRA's assets exceeded its liabilities by \$472,839.

The CRA's total net position is divided between unrestricted, at 12.4%, representing resources that are available for spending, and net investment in capital assets at 87.6%. Net investment in capital assets reflects the CRA's investment in capital assets reduced by the amount of outstanding related liabilities used to acquire or construct these assets. Although the capital assets are shown net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The table below presents a summary of changes in net position for the years ended September 30, 2024 and 2023 as derived from the government-wide statement of activities:

Statement of Activities			
	2024	2023	Change
Revenues			
General revenues			
Property tax assessments	\$ 224,176	\$ 143,306	\$ 80,870
Investment income	13,239	8,895	4,344
Total revenues	237,415	152,201	85,214
Expenses			
Economic environment	66,262	62,492	3,770
Total expenses	66,262	62,492	3,770
Change in net position	171,153	89,709	81,444
Beginning net position	301,686	211,977	89,709
Ending net position	\$ 472,839	\$ 301,686	\$ 171,153

Governmental Activities

Governmental activities increased the CRA's net position by \$171,153 caused by the increased tax base revenue and increased investment income.

Financial Analysis of the CRA General Fund

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the CRA's *General Fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the CRA's financing requirements. In particular, the *fund balance* at year-end provides the resources available for spending.

Budgetary Highlights

The original budget was modified to allocate \$21,352 from the budgeted reserve for contractual expenditures in the amount of \$720 for arbitrage calculations not anticipated previously and by \$20,632 for capital project expenditures. Property Tax revenues received were (\$378) less than budgeted, but Interest Income exceeded the budgeted amount by \$5,739. Expenditures for capital projects were (\$727,539) less than budgeted.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets and Long-Term Liabilities

Capital assets. As of September 30, 2024 and 2023, the CRA had \$414,005 and \$394,908, respectively, invested in a variety of capital assets, as reflected in the following schedule:

Capital Assets (Net of Accumulated Depreciation)

	2024	2023	Change
Construction in progress	\$ 414,005	\$ 394,908	\$ 19,097
	\$ 414,005	\$ 394,908	\$ 19,097

Capital assets in the infrastructure category increased due to the following projects:

- Alachua Street Project - \$414,005

Long-term liabilities. As of year-end, the CRA had \$1,013,103 in long-term debt.

The debt position of the CRA is summarized below. Additional information can be found in Note 6 Long-Term Liabilities:

Long-Term Liabilities

	2024	2023	Change
Revenue Notes Payable	\$ 1,013,103	\$ 1,063,407	\$ (50,304)

Request for Information

This financial report is designed to provide residents, taxpayers, customers and creditors with a general overview of the CRA's finances and to demonstrate the CRA's accountability. For questions concerning the information in this report or requests for additional financial information, contact the City's Comptroller at 204 Ash Street, Fernandina Beach, Florida 32034.

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AMELIA RIVER WATERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 397,076
Restricted cash and cash equivalents	684,494
Capital assets:	
Capital assets, nondepreciable	414,005
Total assets	1,495,575
LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	8,047
Accrued interest	1,586
Noncurrent liabilities	
Due within one year	51,264
Due in more than one year	961,839
Total liabilities	1,022,736
NET POSITION	
Investment in capital assets	414,005
Unrestricted	58,834
Total net position	\$ 472,839

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

AMELIA RIVER WATERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Net Position</u>
				<u>Governmental</u>
				<u>Activities</u>
Governmental activities				
Economic development	\$ 46,158	\$ -	\$ -	\$ (46,158)
Interest and other fiscal charges	20,104	-	-	(20,104)
Total governmental activities	<u>\$ 66,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(66,262)</u>
General revenues				
Property taxes				224,176
Interest income				<u>13,239</u>
Total general revenues				<u>237,415</u>
Change in net position				171,153
Net position, beginning				<u>301,686</u>
Net position, ending				<u>\$ 472,839</u>

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

AMELIA RIVER WATERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2024

ASSETS

Cash and cash equivalents	\$ 397,076
Restricted cash and cash equivalents	<u>684,494</u>
Total assets	<u><u>\$ 1,081,570</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 8,047
Total liabilities	<u>8,047</u>

FUND BALANCE

Restricted for:	
Community redevelopment	<u>1,073,523</u>
Total fund balance	<u>1,073,523</u>
Total liabilities and fund balance	<u><u>\$ 1,081,570</u></u>

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

AMELIA RIVER WATERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total fund balance, General Fund		\$ 1,073,523
<p>Amounts reported for the governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Capital assets	\$ 414,005	414,005
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the General Fund.</p>		
CRA Redevelopment Revenue Note, Series 2022	(1,013,103)	
Accrued interest expense	(1,586)	(1,014,689)
Total net position, governmental activities		\$ 472,839

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

AMELIA RIVER WATERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

REVENUES	
Property taxes	\$ 224,176
Interest income	13,239
Total revenues	237,415
EXPENDITURES	
Current	
General government	6,620
Debt service	
Principal	50,304
Interest	20,191
Capital outlay	58,635
Total expenditures	135,750
Net change in fund balance	101,665
Fund balance, beginning	971,858
Fund balance, ending	\$ 1,073,523

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

AMELIA RIVER WATERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE—GENERAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance, General Fund	\$	101,665
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The General Fund reports capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

58,635

Various miscellaneous transactions relating to capital assets reported in the statement of activities are not reported in the funds because they have no effect on current financial resources.

Disposal of capital assets		(39,538)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Current year includes principal paid on long-term debt.

Principal payments		50,304
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Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are used. The net change associated with these expenses/expenditures is as follows:

Change in accrued interest		<u>87</u>
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Change in net position of governmental activities	\$	<u><u>171,153</u></u>
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The accompanying notes are an integral part of the financial statements.

AMELIA RIVER WATERFRONT COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL-GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual Amount	Variance With Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 224,554	\$ 224,554	\$ 224,176	\$ (378)
Interest income	7,500	7,500	13,239	5,739
Total revenues	<u>232,054</u>	<u>232,054</u>	<u>237,415</u>	<u>5,361</u>
Expenditures				
Current				
General government	5,900	6,620	6,620	-
Debt service				
Principal	50,225	50,225	50,304	(79)
Interest	20,192	20,192	20,191	1
Capital outlay	<u>765,542</u>	<u>786,174</u>	<u>58,635</u>	<u>727,539</u>
Total expenditures	<u>841,859</u>	<u>863,211</u>	<u>135,750</u>	<u>727,461</u>
Change in fund balances	(609,805)	(631,157)	101,665	732,822
Fund balances, beginning	<u>971,858</u>	<u>971,858</u>	<u>971,858</u>	<u>-</u>
Fund balances, ending	<u>\$ 362,053</u>	<u>\$ 340,701</u>	<u>\$ 1,073,523</u>	<u>\$ 732,822</u>

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

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**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Amelia River Waterfront Community Redevelopment Agency (the “CRA”) is governed by a board consisting of five directors who are the same individuals as those serving as the City of Fernandina Beach (the “City”) City Commission. The terms of office of the commissioners are concurrent with the terms of the Mayor and the members of the City Commission. The CRA was established on May 3, 2005, through Resolution 2005-91. The CRA was created following the provisions of Florida Statute 163, with the Finding of Necessity Study conducted by the University of Florida, dated March 2004. Data provided in the Finding of Necessity justified the necessary conditions for establishing the CRA which is incorporated into the *Waterfront Area Community Redevelopment Plan*. Funding for the CRA is provided through Tax Increment Financing (TIF). Resolution 2013-19 reset the CRA base year from 2005 to 2013 and extended the term of the CRA 40 years, to sunset in the year 2053. TIF revenues have shown a significant increase in recent years due to increased private sector investment and re-investment in the district.

Florida State Statute Chapter 163 allows a community redevelopment agency to be created for one or more of the following purposes: the elimination and prevention of blight; the reduction or prevention of crime; the provision of affordable housing; or the rehabilitation and revitalization of coastal resort and tourist areas that are deteriorating and economically distressed. The primary goal of the CRA is to provide a tool that will guide private and public initiatives for creating economic development, improved physical characteristics, encourage investment in Fernandina Beach, improve the quality of life for residents, and establish a framework for the proper evolution of the CRA District.

The CRA was established in accordance with the Community Redevelopment Act of 1969. This state act allows municipalities to use increases in property tax revenue to finance the necessary public investments in the project area. In accordance with provisions of this act, the CRA developed and implemented a Community Redevelopment Plan to diversify its efforts in the area of economic development of the downtown by improving blighted properties and addressing properties with infrastructure problems.

Funding for redevelopment and restoration projects that are essential for the reduction of slum and blight and the stimulation of private sector revitalization efforts is provided primarily from the tax increment generated by the increased valuation of properties within the community redevelopment area. Increases in property tax revenue above the baseline assessment that was established upon adoption of the Community Redevelopment Plan is set aside in the Community Redevelopment Area Fund and can be utilized only for projects identified in the plan.

The CRA is a separate entity from the City. However, the City Commission of the City of Fernandina Beach serves as the CRA Board and performs the legislative functions, governing duties and corporate responsibilities of the agency. The City Manager serves as the director of the agency, performs the administrative duties and oversees the day to day operations of the agency. Several City departments provide assistance in planning and implementing project activities that are designed to revitalize and restore the identified blighted areas.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements.

The government-wide financial statements include a statement of net position and a statement of activities. These statements report on the CRA as a whole and provide a complete financial picture of the CRA.

The government-wide statement of net position reports all financial and capital resources of the CRA's governmental activities. Governmental activities are those supported by taxes and intergovernmental revenue. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Although there were none, program revenues include charges for services that are recovered directly from customers for services rendered. Taxes and other items not properly included among program revenues are reported instead as general revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Since the CRA fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, reconciliations are provided that briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide governmental activities financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses reported when a liability is incurred, regardless of the timing of related cash flows. Tax increment financing from property taxes are recognized as revenue in the year when levied.

The governmental fund financial statements (the "General Fund") are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are generally recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used 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 fiscal year. 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 are recorded only when payment is due.

D. Deposits

The CRA considers cash on hand, cash with fiscal agents, and overnight investments with original maturities of less than three months to be cash and cash equivalents.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables

Receivables consist of trade receivables and amounts due from other governments and are recorded net of any allowance for uncollectible amounts, if applicable.

Activity between the CRA and the City that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year (if any) are reported as “advances to/from the primary government.” All other outstanding balances between the CRA and City (if any) are reported as “due to/from the primary government.”

F. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost, except for contributed assets, which are recorded at acquisition value at the date of contribution. The CRA uses a capitalization threshold of \$5,000 and an estimated useful life in excess of one year.

In accordance with GASB Statement No. 34, the CRA has elected to report general infrastructure prospectively, effective October 1, 2003.

Depreciation of capital assets is provided using the straight-line method over the estimated useful lives of the assets, which range as follows:

Buildings and improvements	15 - 30 years
Infrastructure	15 - 60 years
Vehicles	5 years
Office equipment	10 years
Computer equipment	5 years

G. Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position.

H. Fund Balance/Net Position

In fund financial statements, the General Fund reports fund classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints imposed on the use of resources reported. Amounts that are restricted to specific purposes either by: (a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Directors through a resolution are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources by resolution. Amounts that are constrained by the CRA’s intent to be used for specific purposes, however, are neither restricted, nor committed are classified as assigned fund balances. Assignments are approved by the Executive Director.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Balance/Net Position (Continued)

Non-spendable fund balances include amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents an amount that has not been restricted, committed, or assigned to specific purposes within the General Fund. When both restricted and unrestricted fund balances are available for use, it is the CRA's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Net position of the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. The first category represents capital assets net of accumulated depreciation, less outstanding debt related to the acquisition or construction of the capital assets.

The restricted category, if any, represents the balance of assets restricted by requirements of revenue notes and other externally imposed constraints or by legislation. Unrestricted net position represents resources that are available for spending.

I. Budgetary Data

On or before September 1 each year, the CRA Administrator submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. A public hearing is conducted at City Hall to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of an ordinance. Annual budgets are adopted for the General Fund on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at the end of each fiscal year for these funds.

Budgetary control is maintained at the department level. The CRA Administrator is permitted to transfer appropriations between line items within the General Fund. All other types of budget transfers or amendments must be approved by the City Commission. Expenditures may not legally exceed budgeted appropriations at the department level.

J. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources, and liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

K. Risk Management

The CRA is insured, through the City's self-insurance program, for general liability, health, directors and officers, and property damage. There are no outstanding general liability claims related to the CRA.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – TAX INCREMENT REVENUE

The primary source of revenue is tax increment funds received through the City of Fernandina Beach, which is treated as property taxes.

NOTE 3 – DEPOSITS AND INVESTMENTS

At September 30, 2024, the bank balances of the CRA's deposits were \$1,081,570. All of the CRA's public deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may vary depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

NOTE 4 – CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended September 30, 2024:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated					
Construction in progress	\$ 394,908	\$ 58,635	\$ (39,538)	\$ -	\$ 414,005
Total capital assets not being depreciated	<u>394,908</u>	<u>58,635</u>	<u>(39,538)</u>	<u>-</u>	<u>414,005</u>
Capital assets, net	<u>\$ 394,908</u>	<u>\$ 58,635</u>	<u>\$ (39,538)</u>	<u>\$ -</u>	<u>\$ 414,005</u>

There was no depreciation expense during the year ended September 30, 2024.

NOTE 5 – CONTINGENT LIABILITIES

The CRA sometimes receives revenues from various federal grants. These grants would be for specific purposes and would be subject to review and audit by the grantor agencies. Such audits could result in disallowed expenditures under the terms of the grants. No such grants were received during the year ended September 30, 2024. Based upon prior experience, CRA management believes such disallowances, if any, would be immaterial.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – LONG-TERM LIABILITIES

Summarized below is the CRA's debt issued to finance the acquisition and construction of major capital facilities that is outstanding as of September 30, 2024:

1. Governmental activities debt (direct borrowings)

\$1,150,000 Community Redevelopment Agency Revenue Note, Series 2022 – This is a capital improvement revenue note issued in January 2022. The note bears interest at 1.89%. Principal and interest payments commenced on March 1, 2022 and are due semi-annually through September 2041.

The following is a summary of long-term liabilities for the year ended September 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Notes Payable:					
CRA Redevelopment Revenue Note, Series 2022	\$ 1,063,407	\$ -	\$ (50,304)	\$ 1,013,103	\$ 51,264
Total governmental activities long-term liabilities	<u>\$ 1,063,407</u>	<u>\$ -</u>	<u>\$ (50,304)</u>	<u>\$ 1,013,103</u>	<u>\$ 51,264</u>

A summary of annual debt service requirements as of September 30, 2024 is as follows:

Fiscal Year Ending	Principal	Interest	Total
2025	\$ 51,264	\$ 19,185	\$ 70,449
2026	52,224	18,217	70,441
2027	53,184	17,230	70,414
2028	54,144	16,269	70,413
2029	55,104	15,201	70,305
2030 - 2034	292,032	60,002	352,034
2035 - 2039	320,256	31,344	351,600
2040 - 2041	134,895	3,905	138,800
	<u>\$ 1,013,103</u>	<u>\$ 181,353</u>	<u>\$ 1,194,456</u>

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – DEPOSITS AND WITHDRAWALS

Pursuant to Florida Statue 163.387, listed below is a summary of the sources and amounts of deposits into, and the amount and purpose of withdrawals from the CRA for the fiscal year ended September 30, 2024:

	Revenues	Expenditures
Source of Revenues		
City property tax increment	\$ 224,176	\$ -
Interest income	13,239	-
 Purpose of Expenditures		
Economic development	-	6,620
Capital improvements	-	58,635
Debt service	-	70,495
	\$ 237,415	\$ 135,750

NOTE 8 – RISK MANAGEMENT

The CRA is exposed to various risks of loss, including general liability, personal injury, workers compensation, and errors and omissions. To manage its risks, the CRA has purchased commercial insurance.

NOTE 9 – SUBSEQUENT EVENTS

The CRA has evaluated all subsequent events through March 4, 2025 the date the financial statements were available to be issued.

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OTHER REPORTS

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

Board of Directors and Executive Director
Amelia River Waterfront Community Redevelopment Agency
Fernandina Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Amelia River Waterfront Community Redevelopment Agency (the “CRA”), (a component unit of the City of Fernandina Beach, 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 March 4, 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 or significant deficiencies may exist that were not 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.



Bradenton, Florida
March 4, 2025

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
Material weaknesses identified? Yes No

Significant deficiencies identified not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards and State Financial Assistance Projects

The CRA did not expend \$750,000 in federal or state funds during its fiscal year ended September 30, 2024.

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**AMELIA RIVER WATERFRONT
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Fernandina Beach, Florida)**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

None.



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Board of Directors and Executive Director
Amelia River Waterfront Redevelopment Agency
Fernandina Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the Amelia River Waterfront Community Redevelopment Agency (the "CRA"), (a component unit of the City of Fernandina Beach, Florida) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 4, 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 Standard* 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 March 4, 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 or recommendations in the preceding annual financial report requiring correction.

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 CRA has made these disclosures in the notes to the financial statements. There are no component units.

Financial Condition and Management

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

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. There were no CRA employees compensated in the last pay period of the CRA's fiscal year.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year was six.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$0.
- d. All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$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 projects in fiscal year 2024: Alachua Street Project - \$58,635.
- 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 budget under Section 189.016(6), Florida Statutes, as seen on page 15.

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 Trustees and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 4, 2025

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INDEPENDENT ACCOUNTANT'S REPORT

Board of Directors and Executive Director
Amelia River Waterfront Community Redevelopment Area
Fernandina Beach, Florida

We have examined the Amelia River Waterfront Community Redevelopment Area (the "CRA"), (a component unit of the City of Fernandina Beach, Florida) compliance with Sections 218.415, 163.387(6), and 163.387(7), Florida Statutes, during the year ended September 30, 2024. Management of the CRA is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the specified requirements referenced above. 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 judgement, 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 ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

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

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 4, 2025

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