

**Fort Lauderdale Community  
Redevelopment Agency  
(A Component Unit of the City  
of Fort Lauderdale, Florida)**

Financial Report  
September 30, 2023

DRAFT  
3.13.2024

FORT LAUDERDALE  
COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Fort Lauderdale, Florida)

REPORT ON BASIC FINANCIAL STATEMENTS

Fiscal Year Ended  
September 30, 2023



**FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**CRA BOARD OF COMMISSIONERS**

(As of March 30, 2024)

Dean J. Trantalis, Chair  
John C. Herbst, Commissioner – District I  
Steven Glassman, Commissioner – District II  
Pamela Beasley-Pittman, Commissioner – District III  
Warren Sturman, Commissioner – District IV

**ADMINISTRATION**

Greg Chavarria, Executive Director  
Patrick Reilly, City Auditor  
David R. Solomon, Secretary  
Thomas J. Ansbro, General Counsel  
Clarence Woods III, CRA Manager

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Independent auditor's report	TBD
Management's discussion and analysis (unaudited)	TBD
Basic financial statements:	
Government-wide financial statements:	
Statement of net position	TBD
Statement of activities	TBD
Fund financial statements:	
Balance sheet – governmental funds	TBD
Reconciliation of the balance sheet of governmental funds to the statement of net position	TBD
Statement of revenues, expenditures and changes in fund balances – governmental funds	TBD
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities	TBD
Notes to the financial statements	TBD
Required supplementary information (unaudited):	
Budgetary comparison schedule – schedule of revenues, expenditures and changes in fund balance – budget and actual – Operating Fund	TBD
Notes to required supplementary information	TBD
Supplemental audit report:	
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 <i>Government Auditing Standards</i>	TBD

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**Independent Auditor's Report**

**Placeholder**

**To Be Provided by Auditors**

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**Independent Auditor's Report**

**Placeholder**

**To Be Provided by Auditors**

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3.13.2024

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Management's Discussion and Analysis**

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The Management's Discussion and Analysis section provides a narrative overview of the Fort Lauderdale Community Redevelopment Agency (CRA) financial activities for fiscal year ending September 30, 2023. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the CRA's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the CRA.

**OVERVIEW**

The purpose of the Community Redevelopment Agency of the City of Fort Lauderdale, Florida (the Agency) is to eliminate identified slum and blighted conditions within identified redevelopment areas pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue for the Northwest-Progresso-Flagler Heights Area is computed by applying the operating tax rate for the City of Fort Lauderdale (City), Broward County (County), North Broward Hospital District (HD), and the Children's Services Council (CSC), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The Central Beach Area no longer collects tax increment funds. The Central City Area receives the City contribution only. The City, County, HD and CSC are required to fund this amount annually without regard to tax collections or other obligations.

Further, the Agency's policy is set by a board of directors comprised of five (5) members of the Commission of the City of Fort Lauderdale with the Mayor serving as the Chairman. The City Manager serves as the Executive Director of the Board. The Board is separate, distinct and independent from the governing body of the City of Fort Lauderdale.

The Agency was established in 1989 by the City of Fort Lauderdale, Florida under the provisions of Section 163.330, Florida Statutes. Fort Lauderdale has three (3) CRA target areas. They are Central Beach Area which was established in 1989, Northwest-Progresso-Flagler Heights which was created in 1995, and Central City which was created in 2012.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Agency's basic financial statements comprise three sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The nature of these three components of the report is described as follows:

**Government-wide financial statements**

There are two financial statements in this section that address the financial position and results of operations of the Agency taken as a whole: the Statement of Net Position and the Statement of Activities.



**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Management's Discussion and Analysis**

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These two financial statements are prepared using the "full accrual" method (basis) of accounting. This is the same accounting method used by most private-sector companies to determine whether they earn a profit in any given year, and to measure the net worth of the company as of the end of the year. Under the full accrual basis of accounting, some cash flows into the organization and some of the cash flows out of the organization are not considered operating revenues or operating expenses and accordingly do not appear on a profit and loss statement. For example, under the full accrual basis of accounting, the purchase of capital assets (e.g. equipment, land, buildings that have a useful life beyond one year) is not considered an operating expense when purchased.

The statement of net position is similar to a balance sheet in that it separately identifies the assets (what the Agency owns) from the liabilities (what the Agency owes) and the net difference between the two. Cash, receivables, land, buildings and equipment are examples of assets. Bonds, notes, and payables are examples of liabilities. The increase or decrease in net position from one year to the next indicates whether the Agency's financial position is improving or deteriorating.

The statement of activities explains how or why the net position have increased or decreased during the year. The statement of activities resembles a profit and loss statement because it compares the total expenses of the government to the total revenues, with the difference between the two, equaling the increase or decrease in net position over the course of the year.

**Fund financial statements**

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the previous 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.

Since 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. This comparison highlights the long-term impact of the Agency's near term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances offer a reconciliation to assist with this comparison.

The Agency maintains three (3) individual governmental fund types. All governmental funds of the Agency are considered major funds and thus are reflected separately in the fund financial statements.

**Notes to the financial statements**

The third section of the basic financial statements is the notes to the financial statements. This section provides a further level of detail necessary to better understand the information provided within the government-wide financial statements and fund financial statements.

In addition to the three major types of data included in the basic financial statements (as defined on the preceding pages), this annual financial report also includes required supplementary information regarding the results of operations of the Agency.

**Required supplementary information**

Included in this section of the report is the Budgetary Comparison Schedule as listed in the table of contents.

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Management's Discussion and Analysis**

**CONDENSED FINANCIAL INFORMATION**

This section presents condensed financial information from the government-wide financial statements that compares the current year to the prior year. The analysis highlights economic factors that significantly affected operating results during the year. The following condensed information is derived from the government-wide financial statements for the Fort Lauderdale Community Redevelopment Agency.

**CONDENSED STATEMENT OF NET POSITION (in thousands)**

	<b>Governmental Activities</b>		<b>Increase/ (Decrease)</b>	
	<b>2023</b>	<b>2022</b>	<b>Amount</b>	<b>Percent</b>
<b>Assets</b>				
Current and Other Assets	\$ 78,027	\$ 72,583	\$ 5,444	7.50%
Capital Assets (Net)	91,679	87,194	4,485	5.14%
<b>Total Assets</b>	<b>169,706</b>	<b>159,777</b>	<b>9,929</b>	<b>6.21%</b>
<b>Liabilities</b>				
Current and Other Liabilities	9,734	6,005	3,729	62.10%
Long-Term Liabilities	8,168	15,588	(7,420)	-47.60%
<b>Total Liabilities</b>	<b>17,902</b>	<b>21,593</b>	<b>(3,691)</b>	<b>-17.09%</b>
Net Investment in Capital Assets	91,420	86,825	4,595	5.29%
Restricted	60,384	51,359	9,025	17.57%
<b>Total Net Position</b>	<b>\$ 151,804</b>	<b>\$ 138,184</b>	<b>\$ 13,620</b>	<b>9.86%</b>

**CONDENSED CHANGES IN NET POSITION (in thousands)**

	<b>Governmental Activities</b>		<b>Increase/ (Decrease)</b>	
	<b>2023</b>	<b>2022</b>	<b>Amount</b>	<b>Percent</b>
<b>Revenues</b>				
Program Revenues				
Operating Grants and Contributions	\$ 24,681	\$ 18,695	\$ 5,986	32.02%
General Revenues				
Other Taxes	1,283	201	1,082	538.31%
Other	514	271	243	89.67%
<b>Total Revenues</b>	<b>26,478</b>	<b>19,167</b>	<b>7,311</b>	<b>38.14%</b>
<b>Expenses</b>				
Economic Environment	12,640	19,440	(6,800)	-34.98%
Interest on Long-Term Debt	218	283	(65)	-22.97%
<b>Total Expenses</b>	<b>12,858</b>	<b>19,723</b>	<b>(6,865)</b>	<b>-34.81%</b>
Change in Net Position before Conveyance and Contributions	13,620	(556)	14,176	-2549.64%
Conveyance of Property	-	(113)	113	100.00%
Contributions from Primary Government	-	(76)	76	100.00%
<b>Change in Net Position</b>	<b>13,620</b>	<b>(745)</b>	<b>14,365</b>	<b>-1928.19%</b>
<b>Beginning Net Position</b>	<b>138,184</b>	<b>138,929</b>	<b>(745)</b>	<b>-0.54%</b>
<b>Ending Net Position</b>	<b>\$ 151,804</b>	<b>\$ 138,184</b>	<b>\$ 13,620</b>	<b>9.86%</b>

**Fort Lauderdale Community Redevelopment Agency  
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**Management’s Discussion and Analysis**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

For the fiscal year ended September 30, 2023, results of operations of the Agency viewed on a government-wide basis reflects relatively strong financial performance.

The Agency’s statement of net position serves as a useful indicator of a government’s financial position as of a specific point in time. The relative composition of assets versus liabilities as shown on this report is indicative of a healthy (versus a tenuous) financial position. This analysis is most easily accomplished by converting this data into ratios.

One such ratio reflects the ability of the government to meet immediate cash demands – the ratio of current assets to current liabilities:

A comparison of current assets to current liabilities as of September 30, 2023 (in thousands):

	<u>2023</u>		<u>2022</u>
Current and Other Assets	\$ 78,027	\$	72,583
Current and Other Liabilities	9,734		6,005
Net Current Assets	<u>\$ 68,293</u>	\$	<u>66,578</u>
Ratio	8.02		12.09

**FUND FINANCIAL ANALYSIS**

The fund financial statements for governmental funds provide information on the near-term outflows, inflows, and balances of spendable resources. Such information is useful in assessing the Agency’s financing requirements. The Agency’s fund balance at September 30, 2023 was \$75.7 million, an increase of \$5.9 million from the prior year balance of \$69.9 million. The Operating Fund is used to account for the operating activities of the Agency. Operating revenues for FY2023 totaled \$26.4 million and operating expenditures totaled \$26.8 million (including encumbrances of \$18.7 million).

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Management's Discussion and Analysis**

A summary of the operations of the Operating Fund (on a budget basis), including a comparison to the approved budget, is as follows:

	<b>Operating Fund</b>			Variance with Budget - Positive
	Original Budget	Final Budget	Actual Amounts	
<b>REVENUES</b>				
Intergovernmental Revenues:				
City of Fort Lauderdale	\$ 9,288,558	\$ 9,288,558	\$ 9,263,533	\$ (25,025)
Broward County	11,249,977	11,249,977	11,239,096	(10,881)
North Broward Hospital District	2,609,235	3,009,235	3,262,089	252,854
Children's Services Council	960,125	960,125	915,803	(44,322)
Miscellaneous:				
Interest Income	-	-	1,215,968	1,215,968
Other	-	-	514,493	514,493
<b>Total Revenues</b>	<b>24,107,895</b>	<b>24,507,895</b>	<b>26,410,982</b>	<b>1,903,087</b>
<b>EXPENDITURES</b>				
Current:				
Economic Environment	20,746,711	50,123,131	26,702,581	23,420,550
Debt Service				
Principal Payments	-	-	109,794	(109,794)
Interest and Fiscal Charges	-	-	1,389	(1,389)
<b>Total Expenditures</b>	<b>20,746,711</b>	<b>50,123,131</b>	<b>26,813,764</b>	<b>23,309,367</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,361,184</b>	<b>(25,615,236)</b>	<b>(402,782)</b>	<b>25,212,454</b>
<b>OTHER FINANCING (USES)</b>				
Transfers in	17,731,720	21,449,202	3,127,482	(18,321,720)
Transfers (out)	(21,492,904)	(29,752,883)	(3,381,184)	26,371,699
<b>Total Other Financing (Uses)</b>	<b>(3,761,184)</b>	<b>(8,303,681)</b>	<b>(253,702)</b>	<b>8,049,979</b>
<b>Net change in Fund Balance</b>	<b>\$ (400,000)</b>	<b>\$ (33,918,917)</b>	<b>\$ (656,484)</b>	<b>\$ 33,262,433</b>

The Agency approved the conveyance of sixteen (16) City-owned properties in the Northwest-Progresso-Flagler Heights area to promote the implementation of the CRA's Redevelopment Plan. The Agency conveyed the properties for the purpose of creating stable communities, enhancing the quality of life and improving the aesthetic and useful enjoyment of the redevelopment area through the elimination of slum and blight.

For more detailed budget information, please see the Budgetary Comparison Schedule in Required Supplementary Information.

As noted earlier, the Agency has three specific redevelopment areas: the Central Beach Redevelopment Area, the Northwest-Progresso-Flagler Heights Redevelopment Area, and the Central City Redevelopment Area.

**Management's Discussion and Analysis**

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The following discussion addresses these redevelopment areas within the CRA fund:

**1. The Central Beach Redevelopment Area**

The Central Beach Redevelopment area is a special district whose mission is to eliminate slum and blight, stimulate redevelopment of the core area as a catalyst for the revitalization of the entire Central Beach area. This area was due to sunset on September 30, 2020, however in agreement with Broward County the term of the area was extended for a period of up to three years to complete public improvement projects in progress. The City is in the process of requesting a retroactive extension from the County allowing the City to expend the remaining balances in the area. No taxing authority shall have any tax increment financing obligation to this area after December 31, 2019.

**2. The Northwest-Progresso-Flagler Heights Redevelopment Area**

The Northwest-Progresso-Flagler Heights Redevelopment area is a special district whose mission is to promote economic development in the blighted Northwest section of the city. This area is due to sunset on November 7, 2025.

**3. The Central City Redevelopment Area**

The Central City Redevelopment area is a special district whose mission is to invigorate the existing businesses, attract new businesses and investment, and provide a neighborhood commercial center for the surrounding neighborhoods. This area is due to sunset on January 30, 2042.

**Capital and Lease Assets**

The Agency's investment in capital assets (net of accumulated depreciation) and lease assets (net of amortization), for governmental activities increased by \$4.5 million in FY2023. Additional information about the Agency's capital and lease assets can be found in Note 4 to these financial statements.

**Debt Administration**

At the end of the current fiscal year, the Agency had a Tax Increment Revenue Note outstanding \$15.6 million. Additional information about the Agency's long-term debt can be found in Note 6 to these financial statements.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Fort Lauderdale Community Redevelopment Agency's finances and was prepared by the Finance Department of the City. Requests for additional information should be addressed to the Finance Director at 100 North Andrews Avenue, Fort Lauderdale, Florida, 33301.

***BASIC  
FINANCIAL  
STATEMENTS***

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**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Statement of Net Position  
September 30, 2023**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 72,839,866
Accounts Receivable (Net)	2,356
Accrued Interest Receivable	42,973
Due from Other Governments	227,302
Properties Held for Resale	4,914,677
Capital Assets Not Being Depreciated	
Land	2,051,784
Construction in Progress	3,202,614
Capital Assets, Net of Accumulated Depreciation	
Buildings	26,294,804
Improvements	52,529,363
Infrastructure	6,920,295
Machinery, Equipment and Vehicles	680,208
<b>Total Assets</b>	<u>169,706,242</u>
<b>LIABILITIES</b>	
Accounts Payable	2,285,282
Accrued Liabilities	14,179
Accrued Interest Payable	14,273
Long-Term Liabilities:	
Due Within One Year	7,419,843
Due in More Than One Year	8,168,372
<b>Total Liabilities</b>	<u>17,901,949</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	91,419,853
Restricted for:	
Redevelopment Projects	60,338,441
Debt Service	45,999
<b>Total Net Position</b>	<u><u>\$ 151,804,293</u></u>

The notes to the financial statements are an integral part of the financial statements

**Fort Lauderdale Community Redevelopment Agen  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Statement of Activities  
Fiscal Year Ended September 30, 2023**

Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Position
		Operating Grants and Contributions	Governmental Activities
<b>Primary Government</b>			
Governmental Activities:			
Economic Environment	\$ 12,639,504	\$ 24,680,521	\$ 12,041,017
Interest on Long-term Debt	217,992	-	(217,992)
<b>Total Governmental Activities</b>	<u>\$ 12,857,496</u>	<u>\$ 24,680,521</u>	<u>11,823,025</u>
General Revenues:			
Interest Income			1,283,027
Miscellaneous			514,493
Total General Revenues			<u>1,797,520</u>
			Change in Net Position 13,620,545
			Net Position - Beginning <u>138,183,748</u>
			<u>\$ 151,804,293</u>



**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Balance Sheet  
Governmental Funds  
September 30, 2023**

	<b>Major Funds</b>			<b>Total CRA Funds</b>
	<b>Operating Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Funds</b>	
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 66,653,063	\$ 74,478	\$ 6,112,325	\$ 72,839,866
Accounts Receivable (Net)	2,356	-	-	2,356
Accrued Interest Receivable	42,973	-	-	42,973
Due from Primary Government	227,302	-	-	227,302
Properties Held for Resale	4,914,677	-	-	4,914,677
<b>Total Assets</b>	<b>\$ 71,840,371</b>	<b>\$ 74,478</b>	<b>\$ 6,112,325</b>	<b>\$ 78,027,174</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 1,116,448	\$ 27	\$ 1,168,807	\$ 2,285,282
Accrued Liabilities	-	14,179	-	14,179
<b>Total Liabilities</b>	<b>1,116,448</b>	<b>14,206</b>	<b>1,168,807</b>	<b>2,299,461</b>
<b>Fund Balances:</b>				
Restricted for:				
Redevelopment Projects	70,723,923	-	4,943,518	75,667,441
Debt Service	-	60,272	-	60,272
Total Restricted	70,723,923	60,272	4,943,518	75,727,713
<b>Total Fund Balances</b>	<b>70,723,923</b>	<b>60,272</b>	<b>4,943,518</b>	<b>75,727,713</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 71,840,371</b>	<b>\$ 74,478</b>	<b>\$ 6,112,325</b>	<b>\$ 78,027,174</b>

The notes to the financial statements are an integral part of the financial statements

**FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Fort Lauderdale, Florida)**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**September 30, 2023**

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**Total fund balances of governmental funds** \$ 75,727,713

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 91,679,068

Long-term liabilities are not due and payable in the current period and therefore are not reported as fund liabilities.

Notes Payable	\$ (15,329,000)	
Leased Liabilities	(259,215)	
Accrued Interest Payable	(14,273)	(15,602,488)

**Total net position of governmental activities** \$ 151,804,293

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The notes to the financial statements are an integral part of the financial statements

**FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Fort Lauderdale, Florida)**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For Fiscal Year Ended September 30, 2023**

	<b>Major Funds</b>			<b>Total CRA Funds</b>
	<b>Operating Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	
<b>REVENUES</b>				
City	\$ 9,263,533	\$ -	\$ -	\$ 9,263,533
Broward County	11,239,096	-	-	11,239,096
North Broward Hospital District	3,262,089	-	-	3,262,089
Children's Services Council	915,803	-	-	915,803
Interest Income	1,215,968	-	67,059	1,283,027
Miscellaneous	514,493	-	-	514,493
<b>Total Revenues</b>	<b>26,410,982</b>	<b>-</b>	<b>67,059</b>	<b>26,478,041</b>
<b>EXPENDITURES</b>				
Current:				
Economic Environment	7,956,625	-	18,891	7,975,516
Debt Service:				
Principal Retirement	109,794	3,156,000	-	3,265,794
Interest and Fiscal Charges	1,389	219,563	-	220,952
Capital Outlay	-	-	9,148,787	9,148,787
<b>Total Expenditures</b>	<b>8,067,808</b>	<b>3,375,563</b>	<b>9,167,678</b>	<b>20,611,049</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>18,343,174</b>	<b>(3,375,563)</b>	<b>(9,100,619)</b>	<b>5,866,992</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,127,482	3,361,184	20,000	6,508,666
Transfers (Out)	(3,381,184)	-	(3,127,482)	(6,508,666)
<b>Total Other Financing Sources (Uses)</b>	<b>(253,702)</b>	<b>3,361,184</b>	<b>(3,107,482)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>18,089,472</b>	<b>(14,379)</b>	<b>(12,208,101)</b>	<b>5,866,992</b>
<b>Fund Balances - Beginning</b>	<b>52,634,451</b>	<b>74,651</b>	<b>17,151,619</b>	<b>69,860,721</b>
<b>Fund Balances - Ending</b>	<b>\$ 70,723,923</b>	<b>\$ 60,272</b>	<b>\$ 4,943,518</b>	<b>\$ 75,727,713</b>

The notes to the financial statements are an integral part of the financial statements

**FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For Fiscal Year Ended September 30, 2023**

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Net change in fund balances of governmental funds \$ 5,866,992

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

Governmental funds report the purchase of capital assets as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives. In the Statement of Activities depreciation is reflected as an expense for the period.

Capital Outlay Expenditures	\$ 9,148,787	
Depreciation Expense	<u>(4,549,090)</u>	4,599,697
Amortization of Leased Assets		(114,898)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in Accrued Interest Payable		2,960
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The issuance of long-term debt (e.g., bonds, leases) 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. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts (except for issuance costs) are capitalized and amortized in the statement of activities.

Principal Payments on Notes and Leases		<u>3,265,794</u>
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Change in net position of governmental activities		<u><u>\$ 13,620,545</u></u>
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*The notes to the financial statements are an integral part of the financial statements.*

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**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

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**Note 1. Summary of Significant Accounting Policies**

The Fort Lauderdale Community Redevelopment Agency's (the Agency) financial statements are prepared in accordance with United States Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

**A. Reporting Entity**

The Fort Lauderdale Community Redevelopment Agency was established in 1989 by the City of Fort Lauderdale, Florida (the City) under the provisions of Section 163.330, Florida Statutes. The City has created a total of three (3) Community Redevelopment Areas; Central Beach (1989), Northwest-Progresso-Flagler Heights (1995), and Central City (2012).

The board of directors of the Agency is comprised of five (5) members of the City Commission of the City and is separate, distinct and independent from the governing body of the City. The Mayor serves as the Chairman and the City Manager serves as the Executive Director.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's annual comprehensive financial report as a blended component unit. This report is not a complete presentation of the City of Fort Lauderdale.

**B. Government-wide and Fund Financial Statements, and their underlying Basis of Accounting**

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide statements and fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Agency does not have any business-type activities and has only governmental activities. The accounts of the Agency are reported as operating funds, capital projects funds and debt service funds.

Government-wide statements: In the Government-wide Statement of Net Position, the government activities are presented on a consolidated basis. This statement is prepared using the *economic resources* measurement focus, meaning all assets and liabilities (including capital assets and long-term debt) are included in the Statement of Net Position.

Within this statement, the net position of the Agency (assets and deferred outflows of resources minus liabilities and deferred inflows resources) is reported in two separate components – net investment in capital assets and restricted net position.

The Government-wide Statement of Activities reports the degree to which the gross expenses, including depreciation, of the significant governmental functions provided by the Agency, are financed by the program revenues and the operating and capital grants directly related to the costs of providing each function. The statement then reports the extent to which the resulting net costs of these functions (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.) This statement is prepared using the *full accrual* basis of accounting, which determines the timing of the recording of revenues and expenses. Under this basis of accounting, revenues are recorded when earned, and expenses are recorded when an obligation is incurred.

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

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Fund Financial Statements: These statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in individual funds within the City's accounting system. Each fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, deferred outflows and inflows of resources, revenues and expenditures of each fund. For purposes of this report, all of the Agency's funds are classified as major governmental funds.

Governmental Funds: Within the fund financial statements, the accounting policies applied to governmental funds is intended to capture only those transactions that will occur in the short-term, and the ability to finance those activities as needed. The financial focus applied to governmental funds is called the modified accrual basis of accounting. Revenues are susceptible to accrual in the accounting period in which they become available and measurable, which generally means those revenues that are collected within 60 days after year end. The Agency accrues an asset equal to the value of all material revenue to which it is entitled. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Within governmental fund types, assets, liabilities and deferred outflows and inflows of resources are recorded using the *flow of current financial resources* measurement focus.

The major governmental funds of the Agency are as follows:

Operating Fund – accounts for the proceeds of specific revenue sources from tax increment and property taxes that are legally restricted to expenditures for community redevelopment.

Debt Service Fund – accounts for resources that are restricted to payment of principal, interest and other debt service expenditures on long-term debt.

Capital Projects Fund – accounts for financial resources segregated for the acquisition or construction of major capital facilities and redevelopment area improvements.

**C. Deposits and Investments**

The Agency considers cash on hand, cash with fiscal agents, demand deposits, certificates of deposit and bank repurchase agreements as cash and cash equivalents. Each fund's equity in the City's investment pool has been treated as a cash equivalent since cash may be deposited or withdrawn from the pool at any time without prior notice or penalty. Investments are stated at fair value. Income from investments held by the individual funds is recorded in the respective fund as it is earned.

**D. Receivables**

Receivables are reported net of allowances for uncollectible accounts where applicable at their net realizable value.

**E. Properties Held for Resale**

Inventories in the governmental funds are composed of land held for redevelopment or resale and are stated at the lower of cost or market value.

**F. Unrestricted and Restricted Assets**

In cases in which both unrestricted and restricted assets are available to finance an expense or program, the Agency's policy is to utilize restricted assets first whenever possible.

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

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**G. Capital Assets**

Capital assets, including land, buildings, improvements other than buildings, infrastructure (that is, roads, bridges, street lighting and other similar items) and equipment, are reported in the governmental activities column in the government-wide financial statements. The Agency defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are stated at cost or estimated historical cost. Contributions of capital assets received from federal, state or local sources are recorded as contributions when received and are stated at acquisition value. Additions, improvements and expenditures that significantly extend the useful life of an asset are capitalized.

Depreciation of capital assets is provided on the straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	40-50
Improvements	20-50
Infrastructure	15-50
Machinery, equipment and vehicles	3-15

**H. Leases**

Lessee: The Agency has a 50-month lease as Lessee for the right of use of a building. An initial lease liability was recorded in the amount of \$478,742. As of 09/30/2023, the value of the lease liability is \$259,215. The Agency is required to make monthly payments of \$9,265 and the lease has an interest rate of 0.4350%. The value of the right to use asset as of 09/30/2023 is \$248,945 with accumulated amortization of \$229,796.

The Agency monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**I. Revenues**

Intergovernmental Revenue

The Agency's primary source of revenue is tax increment revenues collected from the City, Broward County, North Broward Hospital District and the Children's Services Council deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at \$10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is \$25,000. The incremental difference in value (new assessed value – base year value) is \$15,000. Taxes collected on the property will be split amongst the City, County and various agencies. The Agency receives all taxes assessed on the incremental increase of \$15,000. Revenues generated by improvements in the Agency districts are to be reinvested in the district to continue to spur redevelopment.



**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

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Assessed values are established by the Broward County Property Appraiser. The assessed property value recognized by the City and Broward County includes the second homestead exemption while the North Broward Hospital District does not recognize such exemption. The City, Broward County, North Broward Hospital District and the Children's Services Council are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue

In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

**J. Use of Estimates**

Management has made estimates and assumptions relating to the reporting of assets and liabilities in conformity with GAAP. Actual results may differ from such estimates.

**K. Deferred Outflows and Inflows of Resources**

In addition to assets, both the statement of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Agency did not report any deferred outflow of resources in the current year.

In addition to liabilities, both the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that period. The Agency did not report any deferred inflow of resources in the current year.

**L. Fund Balance**

In the governmental funds, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balances are reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide statement is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

**Note 2. Deposits and Investments**

The Agency maintains a pooled cash and investment fund for the Agency’s operating, debt service, and capital funds. The Agency has elected to follow the City’s investment policy. As of September 30, 2023, the total cash and investments for the Agency was \$72,839,866.

In accordance with Section 218.415, Florida Statutes, the City’s Investment Policy applies to all cash and investments held or controlled by the City and shall be identified as “general operating funds” of the City with the exception of the City’s pension and cemetery funds. The policy was adopted on September 4, 2001 and subsequently amended on September 19, 2023 which applies to the CRA.

Permitted investments, asset allocation limits, issuer limits, credit rating requirements and maturity limits are detailed in the policy in order to protect the City’s cash and investments. The current policy allows for the purchase of the following investments: U.S. government securities, U.S. government agency securities, federal instrumentalities, interest-bearing time deposits or saving accounts, repurchase agreements, commercial paper, corporate notes, bankers’ acceptances, state or local government taxable or tax-exempt debt, City of Fort Lauderdale debt obligations, registered investment companies (money market mutual funds), and intergovernmental investment pools.

**A. Cash and Cash Equivalents**

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution; a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The City’s investment policy requires that public deposits be held in a State Qualified Public Depository as defined in Section 280.02, Florida Statutes. The Agency’s deposits were held in a State Qualified Depository and collateralized with securities held by the pledging financial institutions’ trust department.

**Note 3. Inter-Fund Transfers**

The composition of inter-fund transfers for the year ended September 30, 2023 was as follows:

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Total</u>
	<u>Operating Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
Operating Fund	\$ -	\$ 3,361,184	\$ 20,000	\$ 3,381,184
Capital Projects Funds	3,127,482	-	-	3,127,482
<b>Total Transfers</b>	<b>\$ 3,127,482</b>	<b>\$ 3,361,184</b>	<b>\$ 20,000</b>	<b>\$ 6,508,666</b>

Transfers to the Operating Fund to cover an increase in CRA incentive requests. The Agency transfers funds from the Operating Fund to the Debt Service Fund in the amount of \$3,361,184 to meet debt service requirements. Transfers to the capital projects funds of \$20,000 provided funding for specific projects within the Community Investment Program.

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

**Note 4. Capital Assets**

**Capital Activity**

Capital and lease assets of the Agency as of September 30, 2023, consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 2,051,784	\$ -	\$ -	\$ 2,051,784
Construction in progress	4,596,388	9,148,787	10,542,561	3,202,614
<b>Total capital assets not being depreciated</b>	<u>6,648,172</u>	<u>9,148,787</u>	<u>10,542,561</u>	<u>5,254,398</u>
Capital assets being depreciated				
Buildings	26,816,328	495,640	-	27,311,968
Improvements	52,720,622	10,046,921	-	62,767,543
Infrastructure	15,556,105	-	-	15,556,105
Equipment	1,301,335	-	-	1,301,335
<b>Total capital assets being depreciated</b>	<u>96,394,390</u>	<u>10,542,561</u>	<u>-</u>	<u>106,936,951</u>
Less accumulated depreciation for:				
Buildings	718,991	547,119	-	1,266,110
Improvements	7,106,530	3,131,650	-	10,238,180
Infrastructure	7,891,045	744,765	-	8,635,810
Equipment	495,571	125,556	-	621,127
<b>Total accumulated depreciation</b>	<u>16,212,137</u>	<u>4,549,090</u>	<u>-</u>	<u>20,761,227</u>
<b>Total capital assets being depreciated, net</b>	<u>80,182,253</u>	<u>5,993,471</u>	<u>-</u>	<u>86,175,724</u>
Right of Use (ROU) Lease Assets being Amortized				
Buildings	478,742	-	-	478,742
<b>Total ROU lease Assets being Amortized</b>	<u>478,742</u>	<u>-</u>	<u>-</u>	<u>478,742</u>
Less amortization for ROU Leased Assets:				
Buildings	114,898	114,898	-	229,796
<b>Total amortization</b>	<u>114,898</u>	<u>114,898</u>	<u>-</u>	<u>229,796</u>
<b>Total ROU lease assets being amortized, net</b>	<u>363,844</u>	<u>(114,898)</u>	<u>-</u>	<u>248,946</u>
<b>Net Capital and Lease Assets</b>	<u>\$ 87,194,269</u>	<u>\$ 15,027,360</u>	<u>\$ 10,542,561</u>	<u>\$ 91,679,068</u>

**Depreciation Expense**

Included in the government-wide Statement of Activities is depreciation expense for the year ended September 30, 2023, distributed to governmental functions as follows:

Governmental Activities:	
Economic Environment	\$ 4,663,988
Total depreciation expense - governmental activities	<u>\$ 4,663,988</u>

**Note 5. Risk Financing Activities**

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has established a self-insurance fund that is used to account for and finance both uninsured and insured risks of loss. Coverage is provided for workers' compensation, property, employment practices, public officials' liability, active shooter, crime, cyber liability, general liability, automobile liability, watercraft liability, airport liability, police professional liability and certain medical benefits. Settlements have rarely exceeded the retention on these policies for each of the past three fiscal years.

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

The Agency participates in the City's self-insurance program and made premium payments in the amount of \$23,020. There are no insurance claims payable at September 30, 2023. Refer to the City of Fort Lauderdale, Florida Annual Comprehensive Financial Report (ACFR) for additional disclosure. The ACFR is located on the City's website at [www.fortlauderdale.gov/departments/finance/financial-reports](http://www.fortlauderdale.gov/departments/finance/financial-reports).

**Note 6. Long-Term Liabilities**

The following is a summary of the long-term obligation transactions of the Agency for the year ended September 30, 2023.

	Beginning Balance	Additions	Deletions	Ending Balance	Amount Due within One Year
Tax Increment Revenue Improvement and Refunding Note, Taxable Series 2021	\$ 18,485,000	\$ -	\$ 3,156,000	\$ 15,329,000	\$ 7,304,000
Leased Liabilities	369,009	-	109,794	259,215	115,843
	<u>\$ 18,854,009</u>	<u>\$ -</u>	<u>\$ 3,265,794</u>	<u>\$ 15,588,215</u>	<u>\$ 7,419,843</u>

On December 3, 2021, the Agency issued CRA Tax Increment Revenue Improvement and Refunding Note, Taxable Series 2021 ("Series 2021 Note") in the amount of \$20,769,000. The proceeds were used to provide funds for certain redevelopment projects within the Northwest Progresso-Flagler Heights Community Redevelopment Area ("NPFCRA") and to refinance the outstanding Tax Increment Revenue Note, Series 2015. The Series 2021 Note provides for semi-annual interest payments at a rate of 1.11% and annual principal payments until maturity in 2025. As of September 30, 2023, the Agency's liability for the note totaled \$15,329,000. The note is secured by a first lien on and pledge of the pledged funds, which consists of the NPFCRA Trust Fund Revenues that include the NPFCRA Tax Increment Revenue collected by the CRA and all moneys, securities and instruments held in funds and accounts established under the loan agreement for the 2021 note. The ratio of pledged revenue to debt service for the current year was 2.23.

In an event of default in connection with (i) failure to make payment of the principal of or interest on the Series 2021 Note when due and payable or (ii) performance of any covenants, conditions, agreements and provisions contained in the Series 2021 Note on the part of the Agency (iii) material misrepresentations or warranty of the Agency contained in the note agreement or (iv) the dissolution or liquidation of the Agency, or the filing of bankruptcy or any similar act; the Lender may proceed to protect and enforce its rights under the laws of the State of Florida and under the agreement. Upon the occurrence of any Event of Default, the Series 2021 Note will bear interest at the lesser of (i) 3.11% or (ii) the maximum rate permitted by law (the "Default Rate") and such Default Rate shall continue until such time as the Event of Default has been cured, at which time, the interest rate shall return to the interest rate in effect immediately prior to such Event of Default.

The Agency is a lessee for the use of office suites with a remaining term of 3 years. The Agency is required to make monthly payments of \$9,265 and the lease has an interest rate of 0.44%. The lease liability on September 30, 2023 is \$259,215.

**Fort Lauderdale Community Redevelopment Agency  
(A Component Unit of the City of Fort Lauderdale, Florida)**

**Notes to Financial Statements  
September 30, 2023**

The requirement to repay all long-term debt outstanding as of September 30, 2023, is summarized in the following table:

Year Ending September 30	Governmental Activities				Total	
	Tax Increment Note		Leased Liabilities		Principal	Interest
	Principal	Interest	Principal	Interest		
2024	\$ 7,304,000	\$ 170,152	\$ 115,843	\$ 899	\$ 7,419,843	\$ 171,051
2025	8,025,000	89,078	122,197	383	8,147,197	89,461
2026	-	-	21,175	11	21,175	11
	<u>\$ 15,329,000</u>	<u>\$ 259,230</u>	<u>\$ 259,215</u>	<u>\$ 1,293</u>	<u>\$ 15,588,215</u>	<u>\$ 260,523</u>

**Note 7. Future Commitments**

The Agency currently has the following future commitments included in the City's Community Investment Plan (CIP) segregated by the specific redevelopment area:

<b>Redevelopment Area</b>	<b>Amount</b>
Central Beach	\$ 43,138
Northwest Progresso - Flagler Heights	207,345
Central City	623,535
	<u>\$ 874,018</u>

**Note 8. Service Agreement**

As of October 1, 2016, the Agency entered into a service agreement with the City to provide services related to the operations of the CRA that included staffing. The Agency paid the City \$1,602,562 during the fiscal year ended September 30, 2023 under this agreement.

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***REQUIRED  
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INFORMATION***

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FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET TO ACTUAL - BUDGETARY BASIS (Unaudited)  
 OPERATING FUND  
 For Fiscal Year Ended September 30, 2023

	OPERATING FUND			Variance with Budget - Positive (Negative)
	Original Budget	Final Budget	Actual Amounts	
<b>REVENUES</b>				
Intergovernmental Revenues:				
City of Fort Lauderdale	\$ 9,288,558	\$ 9,288,558	\$ 9,263,533	\$ (25,025)
Broward County	11,249,977	11,249,977	11,239,096	(10,881)
North Broward Hospital District	2,609,235	3,009,235	3,262,089	252,854
Children's Services Council	960,125	960,125	915,803	(44,322)
Miscellaneous:				
Interest Income	-	-	1,215,968	1,215,968
Other	-	-	514,493	514,493
<b>Total Revenues</b>	<b>24,107,895</b>	<b>24,507,895</b>	<b>26,410,982</b>	<b>1,903,087</b>
<b>EXPENDITURES</b>				
Current:				
Economic Environment	20,746,711	50,123,131	26,702,581	23,420,550
Debt Service				
Principal Payments	-	-	109,794	(109,794)
Interest and Fiscal Charges	-	-	1,389	(1,389)
<b>Total Expenditures</b>	<b>20,746,711</b>	<b>50,123,131</b>	<b>26,813,764</b>	<b>23,309,367</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,361,184</b>	<b>(25,615,236)</b>	<b>(402,782)</b>	<b>25,212,454</b>
<b>OTHER FINANCING (USES)</b>				
Transfers in	17,731,720	21,449,202	3,127,482	(18,321,720)
Transfers (out)	(21,492,904)	(29,752,883)	(3,381,184)	26,371,699
<b>Total Other Financing (Uses)</b>	<b>(3,761,184)</b>	<b>(8,303,681)</b>	<b>(253,702)</b>	<b>8,049,979</b>
<b>Net change in Fund Balance</b>	<b>\$ (400,000)</b>	<b>\$ (33,918,917)</b>	<b>(656,484)</b>	<b>\$ 33,262,433</b>
<b>Fund Balance - Beginning</b>			52,634,451	
<b>Fund Balance - Ending</b>			<u>\$ 51,977,967</u>	
<b>Comparison of Budget to Actual Results</b>				
Statement of Revenues, Expenditures and Changes in Fund Balance - Ending Balance			\$ 70,723,923	
Basis of accounting adjustments Encumbrances as of September 30, 2023			<u>(18,745,956)</u>	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual			<u>\$ 51,977,967</u>	

## **Budgetary Data**

The City prepares an annual operating budget for the Fort Lauderdale Community Redevelopment Agency. These budgets are prepared on the modified accrual basis of accounting.

The Agency follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to August 1, the Executive Director submits to the CRA Board a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted.
3. Prior to October 1, the budget is legally enacted.
4. The level of control (level at which expenditures may not exceed budget) is the department. The Executive Director is authorized to transfer budgeted amounts within departments of any fund. The CRA Board must approve any revisions that alter the total expenditures of any department.
5. Annual budgets are adopted for all governmental funds except the capital project funds. The original and final budgets, as presented, include re-appropriated encumbrances of the prior year. The budgets have been adopted on a basis consistent with GAAP with the following exceptions: Budgetary expenditures include GAAP expenditures adjusted for encumbrances at September 30, 2023. Unencumbered balances of appropriations lapse at year-end.

The Community Redevelopment Agency business incentive program awards funding to encourage private partnerships in undertaking redevelopment projects in target areas within the CRA. Amounts awarded for these programs are encumbered upon approval of an eligible applicant and have been included as an encumbrance in the actual amounts for a total of \$18,745,956.

The reported budgetary data represents the final approved budget after amendments adopted by the Agency. Individual amendments were not material in relation to the original adopted budget. In FY2023, the amended budget increase by \$29.4 million from the original adopted budget.

**SUPPLEMENTAL**

**AUDIT**

**REPORT**

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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*

**Placeholder**

**To Be Provided by the Auditor**

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*

**Placeholder**

**To Be Provided by the Auditor**

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