

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

Financial Report
September 30, 2025

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, 2025



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

CRA BOARD OF COMMISSIONERS

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

ADMINISTRATION

Rickelle Williams, Executive Director
Patrick Reilly, City Auditor
David R. Solomon, Secretary
Shari McCartney, General Counsel
Vanessa Martin, Acting CRA Manager

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Fort Lauderdale Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Fort Lauderdale Community Redevelopment Agency (the CRA), a Component unit of the City of Fort Lauderdale, Florida (the City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise 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 each major fund of the CRA, as of September 30, 2025, and the respective changes in financial position 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the CRA is intended to present the financial position of the component unit of the City of Fort Lauderdale, Florida, that is attributable to the transactions of the CRA. They do not purport to, and do not, present fairly the financial position of City of Fort Lauderdale, Florida, as of September 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 and budgetary comparison information on pages 4-9 and 30-31 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2026, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 CRA's internal control over financial reporting and compliance.

Miramar, Florida
March 11, 2026

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

Management's Discussion and Analysis

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, 2025. 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 City, County, HD and CSC are required to fund this amount annually without regard to tax collections or other obligations. The Central Beach Area no longer collects tax increment funds. The Central City Area receives the City contribution only.

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

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)

	Governmental Activities		Increase/ (Decrease)	
	2025	2024	Amount	Percent
Assets				
Current and Other Assets	\$ 80,125	\$ 77,078	\$ 3,047	3.95%
Capital Assets (Net)	2,071	2,186	(115)	-5.26%
Total Assets	82,196	79,264	2,932	3.70%
Liabilities				
Current and Other Liabilities	753	10,088	(9,335)	-92.54%
Long-Term Liabilities	-	21	(21)	-100.00%
Total Liabilities	753	10,109	(9,356)	-92.55%
Net Investment in Capital Assets	2,071	2,042	29	1.42%
Restricted	79,372	67,113	12,259	18.27%
Total Net Position	\$ 81,443	\$ 69,155	\$ 12,288	17.77%

CONDENSED CHANGES IN NET POSITION (in thousands)

	Governmental Activities		Increase/ (Decrease)	
	2025	2024	Amount	Percent
Revenues				
General Revenues				
Tax Increment Revenue	\$ 30,010	\$ 27,962	\$ 2,048	7.32%
Other Taxes	484	1,061	(577)	-54.38%
Other	1,194	1,542	(348)	-22.57%
Total Revenues	31,688	30,565	1,123	3.67%
Expenses				
Economic Environment	18,243	23,811	(5,568)	-23.38%
Interest on Long-Term Debt	37	152	(115)	-75.66%
Total Expenses	18,280	23,963	(5,683)	-23.72%
Change in Net Position before				
Conveyance and Contributions	13,408	6,602	6,806	103.09%
Conveyance of Property	380	127	253	100.00%
Contributions to Primary Government	(1,500)	(89,378)	87,878	100.00%
Change in Net Position	12,288	(82,649)	94,937	-114.87%
Beginning Net Position	69,155	151,804	(82,649)	-54.44%
Ending Net Position	\$ 81,443	\$ 69,155	\$ 12,288	17.77%

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

Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS

For the fiscal year ended September 30, 2025, 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, 2025 (in thousands):

	2025	2024
Current and Other Assets	\$ 80,125	\$ 77,078
Current and Other Liabilities	753	10,088
Net Current Assets	<u>\$ 79,372</u>	<u>\$ 66,990</u>
Ratio	106.41	7.64

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, 2025 was \$79.4 million, an increase of \$4.2 million from the prior year balance of \$75.1 million. The Operating Fund is used to account for the operating activities of the Agency. Operating revenues for FY2025 totaled \$30.1 million and operating expenditures totaled \$41.8 million (including encumbrances of \$25.3 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:

	Operating Fund			Variance with
	Original Budget	Final Budget	Actual Amounts	Budget - Positive
REVENUES				
Intergovernmental Revenues:				
City of Fort Lauderdale	\$ 11,832,242	\$ 10,268,982	\$ 10,373,989	\$ 105,007
Broward County	14,270,894	14,270,894	14,647,015	376,121
North Broward Hospital District	3,684,020	3,684,020	3,449,069	(234,951)
Children's Services Council	1,158,740	1,158,740	1,170,410	11,670
Miscellaneous:				
Interest Income	-	-	483,667	483,667
Total Revenues	30,945,896	29,382,636	30,124,150	741,514
EXPENDITURES				
Current:				
Economic Environment	22,631,818	47,516,706	41,662,998	5,853,708
Debt Service				
Principal Payments	-	-	122,197	(122,197)
Interest and Fiscal Charges	-	-	383	(383)
Total Expenditures	22,631,818	47,516,706	41,785,578	5,731,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,314,078	(18,134,070)	(11,661,428)	6,472,642
OTHER FINANCING (USES)				
Transfers (out)	(8,314,078)	(8,980,168)	(3,041,049)	5,939,119
Contributions to Primary Government	-	(40,908)	(1,499,740)	(1,458,832)
Gain on Conveyance of Property	-	-	380,000	380,000
Total Other Financing (Uses)	(8,314,078)	(9,021,076)	(4,160,789)	4,860,287
Net change in Fund Balance	\$ -	\$ (27,155,146)	\$ (15,822,217)	\$ 11,332,929

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.

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

Management's Discussion and Analysis

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 through September 30, 2025. 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 was due to sunset on November 7, 2025, however in agreement with Broward County the term of the area was extended for ten years through November 7, 2035. The City will reduce its contribution to 50% of the annual tax increment revenues generated from the area. No other taxing authority shall have any tax increment financing obligation to this area after December 31, 2024.

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 decreased by approximately \$114,898 in FY2025. Additional information about the Agency's capital and lease assets can be found in Note 5 to these financial statements.

Debt Administration

At the end of the current fiscal year, the Agency had no outstanding notes or loans. The Agency had leased liabilities in the amount of \$21,175. Additional information about the Agency's long-term debt can be found in Note 7 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 401 SE 21 Street, Fort Lauderdale, Florida, 33316.

BASIC
FINANCIAL
STATEMENTS

3.11.26 FINAL DRAFT

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

Statement of Net Position
September 30, 2025

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 76,496,476
Accounts Receivable (Net)	2,356
Accrued Interest Receivable	43,931
Properties Held for Resale	3,582,572
Capital and Leased Assets:	
Land, Not Being Depreciated	2,051,784
Buildings, Net of Accumulated Amortization	19,150
Total Assets	<u>82,196,269</u>
LIABILITIES	
Accounts Payable	732,065
Accrued Interest Payable	8
Long-Term Liabilities:	
Due Within One Year	21,175
Total Liabilities	<u>753,248</u>
NET POSITION	
Net Investment in Capital Assets	2,049,759
Restricted for:	
Redevelopment Projects	79,393,262
Total Net Position	<u>\$ 81,443,021</u>

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 Activities
Fiscal Year Ended September 30, 2025**

Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Position
		Operating Grants and Contributions	Governmental Activities
Primary Government			
Governmental Activities:			
Economic Environment	\$ 18,242,632	\$ -	\$ (18,242,632)
Interest on Long-term Debt	37,455	-	(37,455)
Total Governmental Activities	<u>\$ 18,280,087</u>	<u>\$ -</u>	<u>(18,280,087)</u>
General Revenues:			
Tax Increment Revenue			30,009,541
Interest Income			483,667
Miscellaneous			1,194,202
Gain on Conveyance of Property			380,000
Transfers to Primary Government			(1,499,740)
Total General Revenues/ Contributions			<u>30,567,670</u>
	Change in Net Position		12,287,583
	Net Position - Beginning		<u>69,155,438</u>
	Change in Accounting Principle		-
	Net Position - Ending		<u>\$ 81,443,021</u>

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)

Balance Sheet
Governmental Funds
September 30, 2025

	Major Funds			
	Operating Fund	Debt Service Fund	Capital Projects Funds	Total CRA Funds
ASSETS				
Cash and Cash Equivalents	\$ 69,524,255	\$ -	\$ 6,972,221	\$ 76,496,476
Accounts Receivable (Net)	2,356	-	-	2,356
Accrued Interest Receivable	43,931	-	-	43,931
Properties Held for Resale	3,582,572	-	-	3,582,572
Total Assets	\$ 73,153,114	\$ -	\$ 6,972,221	\$ 80,125,335
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 128,256	\$ -	\$ 603,809	\$ 732,065
Total Liabilities	128,256	-	603,809	732,065
Fund Balances:				
Restricted for:				
Redevelopment Projects	73,024,858	-	6,368,412	79,393,270
Total Restricted	73,024,858	-	6,368,412	79,393,270
Total Fund Balances	73,024,858	-	6,368,412	79,393,270
Total Liabilities, Deferred Inflows of				
Total Liabilities and Fund Balances	\$ 73,153,114	\$ -	\$ 6,972,221	\$ 80,125,335

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, 2025

Total fund balances of governmental funds **\$ 79,393,270**

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. 2,070,934

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

Leased Liabilities	\$ (21,175)	
Accrued Interest Payable	<u>(8)</u>	<u>(21,183)</u>

Total net position of governmental activities **\$ 81,443,021**

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, 2025

	Major Funds			Total CRA Funds
	Operating Fund	Debt Service Fund	Capital Projects Fund	
REVENUES				
City	\$ 10,373,989	\$ -	\$ 369,058	\$ 10,743,047
Broward County	14,647,015	-	-	14,647,015
North Broward Hospital District	3,449,069	-	-	3,449,069
Children's Services Council	1,170,410	-	-	1,170,410
Interest Income	483,667	-	-	483,667
Miscellaneous	-	-	1,194,202	1,194,202
Total Revenues	30,124,150	-	1,563,260	31,687,410
EXPENDITURES				
Current:				
Economic Environment	16,399,484	-	1,728,250	18,127,734
Debt Service:				
Principal Retirement	122,197	8,025,000	-	8,147,197
Interest and Fiscal Charges	383	44,539	-	44,922
Total Expenditures	16,522,064	8,069,539	1,728,250	26,319,853
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,602,086	(8,069,539)	(164,990)	5,367,557
OTHER FINANCING SOURCES (USES)				
Transfers In	-	2,174,959	866,090	3,041,049
Transfers (Out)	(3,041,049)	-	-	(3,041,049)
Contributions to Primary Government	(1,499,740)	-	-	(1,499,740)
Gain on Conveyance of Property	380,000	-	-	380,000
Total Other Financing Sources (Uses)	(4,160,789)	2,174,959	866,090	(1,119,740)
Net Change in Fund Balances	9,441,297	(5,894,580)	701,100	4,247,817
Fund Balances - Beginning	63,583,561	5,894,580	5,667,312	75,145,453
Fund Balances - Ending	\$ 73,024,858	\$ -	\$ 6,368,412	\$ 79,393,270

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, 2025

Net change in fund balances of governmental funds	\$ 4,247,817
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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.

Amortization of Leased Assets	(114,898)
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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	7,467
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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	8,147,197
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Change in net position of governmental activities	<u>\$ 12,287,583</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, 2025**

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, 2025**

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.

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

**Notes to Financial Statements
September 30, 2025**

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.

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 09/30/2025, the value of the lease liability is \$21,175. 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 09/30/2025 is \$19,150 with accumulated amortization of \$459,592.

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

Tax Increment Financing 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

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

**Notes to Financial Statements
September 30, 2025**

\$15,000. Revenues generated by improvements in the Agency districts are to be reinvested in the district to continue to spur redevelopment.

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.

Notes to Financial Statements
September 30, 2025

M. New Accounting Pronouncements

Implemented

In December 2023, GASB issued Statement No. 102, "Certain Risk Disclosures". The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The provisions of this Statement are effective for the Agency's financial year September 30, 2025. There was no impact to the Agency.

In June 2022, GASB issued Statement No. 101, "Compensated Absences". This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. The provisions of this Statement are effective for the Agency's financial year September 30, 2025, however this Statement does not apply to the Agency.

Not Yet Implemented

In April 2024, GASB issued Statement No. 103, "Financial Reporting Model Improvements". The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

GASB 103 focuses on improvements in the following areas:

- Management's discussion and analysis (MD&A)
- Unusual or infrequent items
- Presentation of proprietary fund statement of revenues, expenses and changes in fund net position
- Major component unit information
- Budgetary comparison information
- Financial trends information in the statistical section

The provisions of this Statement are effective for the City's financial year September 30, 2026

In September 2024, GASB issued Statement No. 104, "Disclosure of Certain Capital Assets." This Statement addresses four types of capital assets that would be disclosed separately in the notes. (1) Lease assets reported under Statement 87, by major class of underlying asset; (2) Intangible right-to-use assets recognized by an operator under Statement 94, by major class of underlying asset; (3) Subscription assets reported under Statement 96; and (4) Intangible assets other than those listed in items 1-3, by major class of asset.

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

**Notes to Financial Statements
September 30, 2025**

Statement 104 also establishes requirements for capital assets held for sale. Under the guidance, a capital asset is a capital asset held for sale if: (a) the government has decided to pursue the sale of the asset, and (b) it is probable the sale will be finalized within a year of the financial statement date. A government should disclose the historical cost and accumulated depreciation of capital assets held for sale, by major class of asset. The provisions of this Statement are effective for the Agency's financial year September 30, 2026 however this statement does not apply to the agency.

Management has not determined what impact these GASB statements might have on its financial statements.

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, 2025, the total cash and investments for the Agency was \$76,496,476.

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.

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

Notes to Financial Statements
September 30, 2025

Note 3. Inter-Fund Transfers

The composition of inter-fund transfers for the year ended September 30, 2025 was as follows:

<u>Transfers Out</u>	<u>Transfers In</u>		
	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Operating Fund	\$ 2,174,959	\$ 866,090	\$ 3,041,049
Total Transfers	\$ 2,174,959	\$ 866,090	\$ 3,041,049

The Agency transferred funds from the Operating Fund to the Debt Service Fund in the amount of \$2,174,959 to meet debt service requirements. Transfers to capital projects funds of \$866,090 provided funding for specific projects within the Community Investment Program.

Note 4. Receivables

The Agency offers a variety of incentive programs designed to bolster redevelopment in the Northwest-Progresso-Flagler Heights Area and the Central City CRA. The objective of the incentives is to attract private investment, encourage economic growth, job creation and enhance the quality of life for citizens within the NPF CRA area. Incentives are available to assist property owners and businesses with new construction projects or to make improvements on existing non-residential and mixed-use projects. Incentives for home improvements are also available. Typical CRA funding is in the form of a 0% interest forgivable loan, forgiven after 5 years of project completion secured by a first mortgage or subordinate mortgage on the property. Projects receiving over \$225,000 in CRA assistance will be secured by a forgivable loan forgiven after 7 years to 10 years depending on the level of CRA funding. As of September 30, 2025, the Agency has awarded approximately \$71 million in forgivable loans.

Note 5. Capital Assets

Capital Activity

Capital and lease assets of the Agency as of September 30, 2025, consisted of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 2,051,784	\$ -	\$ -	\$ 2,051,784
Total capital assets not being depreciated	<u>2,051,784</u>	<u>-</u>	<u>-</u>	<u>2,051,784</u>
Right of Use (ROU) Lease Assets being Amortized				
Buildings	478,742	-	-	478,742
Total ROU lease Assets being Amortized	<u>478,742</u>	<u>-</u>	<u>-</u>	<u>478,742</u>
Less amortization for ROU Leased Assets:				
Buildings	344,694	114,898	-	459,592
Total amortization	<u>344,694</u>	<u>114,898</u>	<u>-</u>	<u>459,592</u>
Total ROU lease assets being amortized, net	<u>134,048</u>	<u>(114,898)</u>	<u>-</u>	<u>19,150</u>
Net Capital and Lease Assets	<u>\$ 2,185,832</u>	<u>\$ (114,898)</u>	<u>\$ -</u>	<u>\$ 2,070,934</u>

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

**Notes to Financial Statements
September 30, 2025**

Depreciation Expense

Included in the government-wide Statement of Activities is depreciation expense for the year ended September 30, 2025, distributed to governmental functions as follows:

Governmental Activities:	
Economic Environment	\$ 114,898
Total depreciation expense - governmental activities	<u>\$ 114,898</u>

Note 6. 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.

The Agency participates in the City's self-insurance program and made premium payments in the amount of \$8,589. There are no insurance claims payable at September 30, 2025. 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.

Note 7. Long-Term Liabilities

The following is a summary of the long-term obligation transactions of the Agency for the year ended September 30, 2025.

	Beginning Balance	Additions	Deletions	Ending Balance	Amount Due within One Year
Tax Increment Revenue Improvement and Refunding Note, Taxable Series 2021	\$ 8,025,000	\$ -	\$ 8,025,000	\$ -	\$ -
Leased Liabilities	143,372	-	122,197	21,175	21,175
	<u>\$ 8,168,372</u>	<u>\$ -</u>	<u>\$ 8,147,197</u>	<u>\$ 21,175</u>	<u>\$ 21,175</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, 2025, the Agency's liability for the note totaled \$0. 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 3.44.

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

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

**Notes to Financial Statements
September 30, 2025**

"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, 2025 is \$21,175.

The requirement to repay all long-term debt outstanding as of September 30, 2025, is summarized in the following table:

Year Ending September 30	Governmental Activities	
	Leased Liabilities	
	Principal	Interest
2026	21,175	11
	\$ 21,175	\$ 11

Note 8. 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:

Redevelopment Area	Amount
Northwest Progresso - Flagler Heights	\$ 1,059,606
Central City	165,144
	<u>\$ 1,224,750</u>

Note 9. Related Party Transactions

As of October 1, 2016 and amended in August 2024, 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 \$1,589,472 during the fiscal year ended September 30, 2025 under this agreement.

Note 10. Subsequent Events

Management has evaluated subsequent events through March 11, 2026. No events occurred that would require recognition or disclosure in the financial statements.

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**REQUIRED
SUPPLEMENTARY
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, 2025

	OPERATING FUND			
	Original Budget	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES				
Intergovernmental Revenues:				
City of Fort Lauderdale	\$ 11,832,242	\$ 10,268,982	\$ 10,373,989	\$ 105,007
Broward County	14,270,894	14,270,894	14,647,015	376,121
North Broward Hospital District	3,684,020	3,684,020	3,449,069	(234,951)
Children's Services Council	1,158,740	1,158,740	1,170,410	11,670
Miscellaneous:				
Interest Income	-	-	483,667	483,667
Total Revenues	30,945,896	29,382,636	30,124,150	741,514
EXPENDITURES				
Current:				
Economic Environment	22,631,818	47,516,706	41,662,998	5,853,708
Debt Service				
Principal Payments	-	-	122,197	(122,197)
Interest and Fiscal Charges	-	-	383	(383)
Total Expenditures	22,631,818	47,516,706	41,785,578	5,731,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,314,078	(18,134,070)	(11,661,428)	6,472,642
OTHER FINANCING (USES)				
Transfers (out)	(8,314,078)	(8,980,168)	(3,041,049)	5,939,119
Contributions to Primary Government	-	(40,908)	(1,499,740)	(1,458,832)
Gain on Conveyance of Property	-	-	380,000	380,000
Total Other Financing (Uses)	(8,314,078)	(9,021,076)	(4,160,789)	4,860,287
Net change in Fund Balance	\$ -	\$ (27,155,146)	(15,822,217)	\$ 11,332,929
Fund Balance - Beginning			63,583,561	
Fund Balance - Ending			<u>\$ 47,761,344</u>	
Comparison of Budget to Actual Results				
Statement of Revenues, Expenditures and Changes in Fund Balance - Ending Balance			\$ 73,024,858	
Basis of accounting adjustments				
Encumbrances as of September 30, 2025			<u>(25,263,514)</u>	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual			<u>\$ 47,761,344</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, 2025. 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 \$25,263,514.

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 FY2025, the amended budget increased by \$24.9 million from the original adopted budget.

SUPPLEMENTAL

AUDIT

REPORT

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3.11.26 FINAL DRAFT

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