

**COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF SAFETY HARBOR
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY
HARBOR, FLORIDA)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2024



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**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)**
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INDEPENDENT AUDITORS' REPORT

Board Members
Community Redevelopment Agency
of the City of Safety Harbor, Florida
City of Safety Harbor, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the CRA, as of September 30, 2024, 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 (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Board Members
Community Redevelopment Agency
of the City of Safety Harbor, Florida

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026

**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

As management of the Community Redevelopment Agency (CRA), we offer the readers of the CRA's basic financial statements this narrative overview and analysis of the financial activities of the CRA for the year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

Financial Highlights

- The assets of the CRA exceeded its liabilities as of September 30, 2024, by \$4,745,968 (net position).
- The CRA's total assets as of September 30, 2024, were \$5,637,274.
- The CRA's total revenue was \$2,370,175, consisting primarily of contributions and donations from a library state grant and private donations from other entities and intergovernmental revenue.
- The increase in net position was \$2,077,915.

Overview of Financial Statements

The CRA's financial statements include the following:

- Governmental Fund Balance Sheet and Statement of Net Position — reports the CRA's assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance and net position at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and Statement of Activities — reports the results of activity over the course of the fiscal year. It details the costs associated with operating the CRA and how those costs were funded. It also provides an explanation of the change in fund balance and net position from the previous fiscal year-end to the current fiscal year-end.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The analysis of net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the CRA's net position, which can be thought of as the difference between what the CRA owns (assets) and what the CRA owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the CRA.

Over time, significant changes in the CRA's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any CRA, the reader must also consider other nonfinancial factors such as fluctuations in the local economy.

**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Net Position

The difference between an organization's assets and its liabilities equals its net position. The CRA's net position can consist of:

Net Investment in Capital Assets — Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets.

Restricted — Net position that can only be spent for specific purposes because of constraints imposed by external sources (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Unrestricted — Net position that is not invested in capital assets or subject to restrictions.

Condensed Financial Information

Assets, Liabilities, and Net Position:

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets	\$ 2,140,830	\$ 2,656,556
Capital Assets	3,496,444	913,418
Total Assets	<u>5,637,274</u>	<u>3,569,974</u>
LIABILITIES		
Accounts Payable	119,475	-
Accrued Liabilities	401	1,921
Advance from Primary Government	771,430	900,000
Total Liabilities	<u>891,306</u>	<u>901,921</u>
NET POSITION		
Net Investment in Capital Assets	3,376,969	913,418
Restricted for Community Redevelopment	1,170,630	1,694,042
Unrestricted	198,369	60,593
Total Net Position	<u>\$ 4,745,968</u>	<u>\$ 2,668,053</u>

Assets increased by \$2,067,300 from the prior year due to library second floor building expansion. Total liabilities are consistent with the prior year.

COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Condensed Financial Information (Continued)

Revenues, Expenses, and Changes in Net Position

	<u>2024</u>	<u>2023</u>
GENERAL REVENUES		
Taxes	\$ 1,271,418	\$ 1,106,657
Investment Income	137,775	42,283
Contributions and donations	960,982	-
Revenue from Primary Government	-	640
Total General Revenues	<u>2,370,175</u>	<u>1,149,580</u>
EXPENSES		
General Government	162,560	180,960
Contribution to Primary Government	129,700	129,700
Total Expenses	<u>292,260</u>	<u>310,660</u>
CHANGE IN NET POSITION	2,077,915	838,920
Net Position - Beginning of Year	<u>2,668,053</u>	<u>1,829,133</u>
NET POSITION - END OF YEAR	<u><u>\$ 4,745,968</u></u>	<u><u>\$ 2,668,053</u></u>

In fiscal year 2024, total general revenue was \$2,370,175, while total expenses are \$292,260. This resulted in a positive change in net position of \$2,077,915 from funding provided for the library second floor building expansion, consisting of contributions from the state grant and donations from private entities and the County portion of the Tax Increment Financing.

Community Redevelopment General Fund

In fiscal year 2024, the CRA fund's total general revenue was \$1,872,547, while total expenditures are \$2,875,286, which include the library second floor building expansion capital expenditures and transfers to the primary government of \$129,700. This resulted in a negative change in fund balance of \$1,002,739. Total general revenues increased \$723,607 primarily due to funding related to the library building expansion.

Fiscal year 2023 began the first year of a ten (10) year extension of the City of Safety Harbor Community Redevelopment Area and Redevelopment Trust Fund. This extension reduced the increment of taxes distributed from 95% to 50%.

The original budget for fiscal year 2023 included \$2,975,240 in expected expenses related to construction of the Library second floor building expansion, which was rolled over to the fiscal year 2024.

Capital Assets

The CRA's investment in capital assets for its governmental activities as of September 30, 2024 was equal to \$3,496,444. This investment in capital assets includes land purchased to be used for public parking, which was funded by an advance from the general fund repaid over 7 years as well as the library second floor building expansion.

Additional information on all capital assets can be found in Note 3 of the notes to the financial statements.

**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Economic Factors and Next Year's Budgets and Rates

The Community Redevelopment Agency (CRA) is reported as a blended component unit of the City of Safety Harbor, Florida. Its Annual Budget was approved by Resolution 2024-02 on September 16, 2024. The detailed budgets are available for review upon request.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed as follows: Finance Director, City of Safety Harbor, 750 Main Street, Safety Harbor, FL 34695, via the City's website (<http://www.cityofsafetyharbor.com>) or by phone at 727-724-1555.

COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
GOVERNMENTAL FUND BALANCE SHEET AND STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 1,489,656	\$ -	\$ 1,489,656
Accounts Receivable	3,546	-	3,546
Due from other governments	647,628	-	647,628
Total Current Assets	<u>2,140,830</u>	<u>-</u>	<u>2,140,830</u>
Noncurrent Assets:			
Capital assets			
Nondepreciable	-	3,496,444	3,496,444
Depreciable	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>3,496,444</u>	<u>3,496,444</u>
Total Assets	2,140,830	3,496,444	5,637,274
LIABILITIES			
Accounts Payable	119,475	-	119,475
Accrued Liabilities	401	-	401
Advance from Primary Government	771,430	-	771,430
Total Liabilities	<u>891,306</u>	<u>-</u>	<u>891,306</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Taxes	497,628	(497,628)	-
Total Deferred Inflows of Resources	<u>497,628</u>	<u>(497,628)</u>	<u>-</u>
FUND BALANCE/NET POSITION			
Fund Balance:			
Restricted for Community Redevelopment	553,527	(553,527)	-
Assigned for Community Redevelopment	198,369	(198,369)	-
Total Fund Balance	<u>\$ 751,896</u>	<u>(751,896)</u>	<u>-</u>
Net Position:			
Net Investment in Capital Assets		3,376,969	3,376,969
Restricted for Community Redevelopment		1,170,630	1,170,630
Unrestricted		198,369	198,369
Total Net Position	<u>\$ 4,745,968</u>	<u>\$ 4,745,968</u>	<u>\$ 4,745,968</u>

See accompanying Notes to Financial Statements.

COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE AND STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Adjustments	Statement of Activities
EXPENDITURES/EXPENSES			
General Government	\$ 162,560	\$ -	\$ 162,560
Capital Outlay	2,583,026	(2,583,026)	-
Contribution to Primary Government	129,700	-	129,700
Total Expenses	<u>2,875,286</u>	<u>(2,583,026)</u>	<u>292,260</u>
GENERAL REVENUES			
Taxes	773,790	497,628	1,271,418
Investment Income	137,775	-	137,775
Contributions and Donations	960,982	-	960,982
Total Revenues	<u>1,872,547</u>	<u>497,628</u>	<u>2,370,175</u>
EXCESS OF REVENUES OVER EXPENDITURES/EXPENSES	<u>(1,002,739)</u>	<u>3,080,654</u>	<u>2,077,915</u>
NET CHANGE IN FUND BALANCE/NET POSITION	<u>(1,002,739)</u>	<u>3,080,654</u>	<u>2,077,915</u>
Fund Balance/Net Position - Beginning of Year	<u>1,754,635</u>	<u>-</u>	<u>2,668,053</u>
FUND BALANCE/NET POSITION - END OF YEAR	<u><u>\$ 751,896</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,745,968</u></u>

See accompanying Notes to Financial Statements.

**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Safety Harbor established a Community Redevelopment Agency in 1992 with Ordinance 92-24 establishing a Redevelopment Trust Fund for the appropriation of the City's share of tax increment revenues. Pinellas County adopted code section 38-66 approving the City's redevelopment trust fund for the appropriation of the County's share of tax increment revenues. On November 2, 2004, Pinellas County adopted Resolution 04-214 providing the "Delegation of Authority" to the City of Safety Harbor to declare itself a Redevelopment Authority and prepare a redevelopment plan for the expanded area pursuant to Chapter 163, Part III of the Florida Statutes. The CRA Board holds meetings on an as-needed basis.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units and present only the financial position of the CRA, a component unit of the City of Safety Harbor (the City).

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as all component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Based on the application of these criteria, the CRA has determined there are no component units.

Basis of Presentation

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category and (or) the governmental and enterprise combined) for the determination of major funds. The CRA has used GASB Statement No. 34 minimum criteria for major fund determination.

The accounts of the CRA are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Currently, the CRA has only one fund, the General Fund. The General Fund is the general operating fund of the CRA. It is used to account for all financial resources and expenditures.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., statement of net position and the statement of activities) are reported using the economic resources measurement focus and accrual basis of accounting. The CRA reports only governmental activities; it does not have any business-type activities. Governmental activities are supported largely by tax increment funding.

**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the function's program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services, which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions, which finance annual operating activities; and (3) capital grants and contributions, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Separate financial information is provided for the governmental fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. The governmental fund measurement focus is based on determination of financial position and changes in financial position rather than on net income.

Budgets and Budgetary Data

The following are the procedures in establishing the budget:

The CRA's Executive Director prepares the annual fiscal operating budget. The proposed budget is then presented to the CRA's Board Members for changes and final approval. Once adopted, the budget serves as legal authorization for expenditures.

Formal budgetary integration is employed as a management control device during the year for all governmental fund types. Budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). All appropriations lapse at the close of the fiscal year.

Fund Balance

The classifications of fund balances are described as follows:

Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance (Continued)

Committed Fund Balance – Amounts that can be spent only for specific purposes determined by a formal action of the CRA's highest level of decision-making authority. The CRA has not established a policy regarding authorization to commit fund balance.

Assigned Fund Balance – Amounts the CRA intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the CRA's board or by the CRA's board delegating this responsibility to the CRA Coordinator through the budgeting process.

Unassigned Fund Balance – Amounts that are available for any purpose; these amounts can be reported only in the CRA's general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the CRA considers restricted to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Capital Assets

Capital assets are capitalized and reported at cost or estimated historical cost. The CRA generally capitalizes assets with a cost of \$5,000 or more with useful lives of more than one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value represents the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at acquisition date.

Land and construction in progress are not depreciated. Other capital assets are depreciated/amortized using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation/amortization are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 CASH AND CASH EQUIVALENTS

The CRA participates in the pooled cash and investments program of the City of Safety Harbor for the purpose of maximizing investment yields. The earnings of the pool are allocated on a monthly basis to the individual funds of the City and the CRA based upon their average monthly balance in the pool. For the purpose of these financial statements, the CRA pooled cash is primarily cash and cash equivalents.

Pooled cash and investments of the City determined to be available in excess of immediate needs is placed in investments in accordance with the City of Safety Harbor Investments Policy under the guidelines of *Florida Statutes 218.415*.

Custodial Credit Risk

Custodial credit risk is the risk that a government will not be able to recover deposits or the value of investments in the event of the failure of a depository financial institution or a third party holding the investments' securities. All investments are held in the name of the City and all time deposits are maintained with qualified public depositories, as previously discussed.

NOTE 3 CAPITAL ASSETS

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2024 :

Governmental Activities	Beginning			Ending
	Balance	Additions	Deletions	Balance
	10/01/23			09/30/24
Non-Depreciable Assets:				
Land	\$ 913,418	\$ -	\$ -	\$ 913,418
CIP	-	2,583,026	-	2,583,026
Total Non-Depreciable Assets	\$ 913,418	\$ 2,583,026	\$ -	\$ 3,496,444

NOTE 4 RISK MANAGEMENT

The City provide risk management to the CRA through its risk management policies. The City is a member of Public Risk Management (PRM), a local government liability risk pool. PRM administers insurance activities relating to property, general, automobile and public officials' liability, employees' health and auto physical damage. PRM absorbs losses up to a specified amount annually and purchases excess and other specific coverages from third-party carriers. PRM assesses each member their pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments (premiums) do not produce sufficient funds to meet its obligations, PRM can make additional limited assessments. Losses, if any, in excess of PRM's ability to assess its members would revert back to the member that incurred the loss. No additional assessments were levied by PRM to the City for the fiscal year ended September 30, 2024. The City had no significant reductions in insurance coverage during the fiscal year ended September 30, 2024. In addition, there have been no settlements that exceeded the City's insurance coverage in any of the past three fiscal years.

COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,273,830	\$ 1,273,830	\$ 773,790	\$ (500,040)
Contributions and Donations	-	-	960,982	960,982
Investment Income	8,000	8,000	137,775	129,775
Total Revenues	1,281,830	1,281,830	1,872,547	590,717
EXPENDITURES				
Personnel Services	57,290	57,290	65,915	(8,625)
General Operating Expenses	180,590	202,440	96,645	105,795
Capital Projects	-	3,044,626	2,583,026	461,600
Contribution to Primary Government	258,270	258,270	129,700	128,570
Total Expenditures	496,150	3,562,626	2,875,286	687,340
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	785,680	(2,280,796)	(1,002,739)	1,278,057
NET CHANGE IN FUND BALANCE	785,680	(2,280,796)	(1,002,739)	1,278,057
Fund Balance - Beginning of Year	(785,680)	2,280,796	1,754,635	(526,161)
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 751,896	\$ 751,896

See accompanying Note to Budgetary Comparison Schedule – General Fund.

**COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
NOTE TO BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
SEPTEMBER 30, 2024**

NOTE 1 BUDGETARY INFORMATION

Budgets are prepared and adopted annually for the general fund in accordance with procedures and time intervals prescribed by Florida Statutes. Accordingly, the City of Safety Harbor Commissioners adopted an annual budget for the general fund for the fiscal year ended September 30, 2024.

The annual budget serves as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each account. All budget amendments, which change the legally adopted appropriations, are approved by the board, and may be amended at any CRA meeting prior to 60 days after the fiscal year-end. The level of control for appropriations is exercised at the account level. Appropriations lapse at year-end. Budgets are prepared using the same modified accrual basis as is used to account for actual transactions.



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

Board Members
Community Redevelopment Agency
of the City of Safety Harbor, Florida
City of Safety Harbor, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of the Community Redevelopment Agency of the City of Safety Harbor, Florida (the CRA), a component unit of the City of Safety Harbor, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated January 13, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of CRA's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Board Members
Community Redevelopment Agency
of the City of Safety Harbor, Florida

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CRA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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



CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026



MANAGEMENT LETTER

Board Members
Community Redevelopment Agency
of the City of Safety Harbor, Florida
City of Safety Harbor, Florida

Report on the Financial Statements

We have audited the financial statements of the Community Redevelopment Agency of the City of Safety Harbor, Florida (the CRA), a component unit of the City of Safety Harbor, Florida, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 13, 2026.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 13, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Information regarding the specific legal authority for the entity is contained in Note 1 to the financial statements.

Financial Condition and Management

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, our recommendation is include in the accompanying schedule of findings and responses as 2024-001.

Property Assessed Clean Energy (PACE) Programs

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires the CRA include a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the CRA's geographical boundaries during the fiscal year under audit. A PACE program did not operate within the CRA's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Board Members
Community Redevelopment Agency
of the City of Safety Harbor, Florida

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the CRA reported: (We do not express an opinion or provide any assurance on the following information.)

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as 0.30 full-time equivalents.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 1.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$65,915.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$2,583,026.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as Library expansion project in the amount of \$2,583,026.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes. See the accompanying Budgetary Comparison Schedule – General Fund.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the CRA's Board Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026

**COMMUNITY REDVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF THE CITY OF SAFETY HARBOR, FLORIDA)
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2024**

2024-001 – Budgets

Type of Finding:

- Budgetary Compliance

Condition: Testing of compliance with budgetary requirements identified that the CRA's expenditures exceeded the final budget.

Criteria or Specified Requirement: Section 7.28 of the City's Code of Ordinances prohibits the expenditure of any money or the incurrence of any liability in excess of the amounts appropriated for these general classifications of expenditures: personal services, contractual and other services, materials and supplies, capital outlay, and debt service. If there are any changes in expenditures or revenues during the fiscal year, the budget must be amended to reflect these changes. The adopted budget must regulate expenditures, ensuring that the total appropriations for expenditures and reserves do not exceed the amount available.

Effect: The CRA is not in compliance with the budgetary requirements.

Cause: The budget was not amended for increases in expenditures related to personnel services.

Repeat Finding: This was not a finding in the prior year.

Recommendation: Budgets should be monitored and amended when needed, within the time period allowed by statute, to ensure that the CRA does not incur expenditures in excess of budgeted amounts.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. The 2024 storm season contributed to this deficiency, as the City was in storm recovery mode at and in the months following year-end resulting in the inability to complete a year end true-up amendment timely. Moving forward, we will continue monitoring and amending the budget as needed when incurring expenditures in excess of budgeted amounts they pertain to this new accounting standard.



INDEPENDENT ACCOUNTANTS' REPORT

Board Members

Community Redevelopment Agency
of the City of Safety Harbor, Florida and Florida Auditor General
City of Safety Harbor, Florida

We have examined the Community Redevelopment Agency of the City of Safety Harbor, Florida's (the CRA), a component unit of the City of Safety Harbor, Florida, compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds, and Sections 163.387(6) and (7), *Florida Statutes*, regarding community redevelopment agencies, during the year ended September 30, 2024. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the CRA complied, in all material respects, with Section 218.415, *Florida Statutes*, regarding the investments of public funds; and Sections 163.387(6) and (7), *Florida Statutes*, regarding community redevelopment agencies; during the year ended September 30, 2024.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026



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