Community Redevelopment Agency
Advisory Board Meeting
Agenda
April 17, 2023

Chair Gib Coerper
Vice Chair Jennifer Blalock
Member Shirley Green Brown
Member Dayna Miller
Member Edward Potts

Executive Director Mike DaRoza
City Attorney Marian Rush

Community Redevelopment Agency
Advisory Board Meeting
3:00 PM

Meeting Date: April 17, 2023

Meeting Location: James A. Lewis Commission Chambers

Notice given pursuant to Section 286.0105, Florida Statutes. In order to appeal any decision made at this meeting, you will need a verbatim record of the proceedings. It will be your responsibility to ensure such a record is made.

CRA ADVISORY BOARD MEETING

CALL TO ORDER

APPROVAL OF THE AGENDA

I. OLD BUSINESS

II. NEW BUSINESS

A. Approval of the Minutes of the January 23, 2023 CRAAB Meeting

B. CRA Annual Report for Fiscal Year 2021-22

C. Staff Updates

III. BOARD COMMENTS/DISCUSSION

IV. CITIZENS COMMENTS

ADJOURN

Board/Committee
Agenda Item

MEETING DATE: 4/17/2023
SUBJECT: Approval of the Minutes of the January 23, 2023 CRAAB Meeting

PREPARED BY: Adam Hall, AICP, Principal Planner

RECOMMENDED ACTION:
Approve minutes of the January 23, 2023 CRAAB meeting.

Summary

Approval of the minutes of the January 23, 2023 CRAAB meeting.

ATTACHMENTS:

	Description
🗋	Minutes from the 01/23/23 CRAAB Meeting

ALACHUA CRA
COMMUNITY REDEVELOPMENT AGENCY

Community Redevelopment Agency Advisory Board
Meeting Minutes
January 23, 2023

Chair Rudy Rothseiden	**Executive Director Mike DaRoza**
Vice Chair Kelly Harris	
Member Marvin Bingham, Jr.	
Member Bryan Boukari	
Member Rick Robertson	

Community Redevelopment Agency
Advisory Board Meeting
3:00 PM

Meeting Date: January 23, 2023

Meeting Location: James A. Lewis Commission Chambers

Notice given pursuant to Section 286.0105, Florida Statutes. In order to appeal any decision made at this meeting, you will need a verbatim record of the proceedings. It will be your responsibility to ensure such a record is made.

CRA ADVISORY BOARD MEETING

CALL TO ORDER

Chair Rudy Rothseiden called the meeting to order. Member Bryan Boukari was present via telephone. Member Kelly Harris was absent.

APPROVAL OF THE AGENDA

I. OLD BUSINESS

None.

II. NEW BUSINESS

A. Approval of the Minutes of the September 19, 2022 CRAAB Meeting

Member Rick Robertson moved to approve the minutes; seconded by Member Marvin Bingham.
Motion passed by unanimous consent.

B. Staff Updates

Principal Planner Adam Hall presented the Staff Updates.

Member Robertson requested a report showing CRA expenses by category.

Members Bryan Boukari, Robertson, and Bingham discussed the CRA billboards.

Chair Rothseiden requested the Advisory Board view future designs.

Executive Director Mike DaRoza stated that the CRAAB would review future artwork for the CRA billboards.

Member Boukari inquired about CRA Coordinator position status.

Executive Director DaRoza responded.

Chair Rothseiden requested that the new CRA Coordinator be assigned an intern to help with administrative tasks.

III. BOARD COMMENTS/DISCUSSION

Member Boukari suggested that the CRA look into a property line issue near the City's warehouse on Main Street. Member Boukari expressed his concerns regarding enforcement of Historic Overlay District rules and regulations.

Member Robertson expressed support for revised signage at US Highway 441 and Main Street. Member Robertson repeated his request for budgetary report.

Chair Rothseiden expressed his dismay at the recent pedestrian fatality near Criswell Park, and asked that CRA staff investigate placement of stop signs and sidewalks along NW 142nd Terrace to improve pedestrian safety. The Chair noted that the fatality took place outside of the CRA District.

IV. CITIZENS COMMENTS

None.

ADJOURN

Member Bingham moved to adjourn. Member Robertson seconded.
Motion passed by unanimous consent.

ATTEST:	CRA ADVISORY BOARD OF ALACHUA, FLORIDA
______________________________ CRA Advisory Board Chair	______________________________ Staff Liaison

Board/Committee
Agenda Item

MEETING DATE: 4/17/2023
SUBJECT: CRA Annual Report for Fiscal Year 2021-22

PREPARED BY: Adam Hall, AICP, Principal Planner

RECOMMENDED ACTION:

Receive Annual Report.

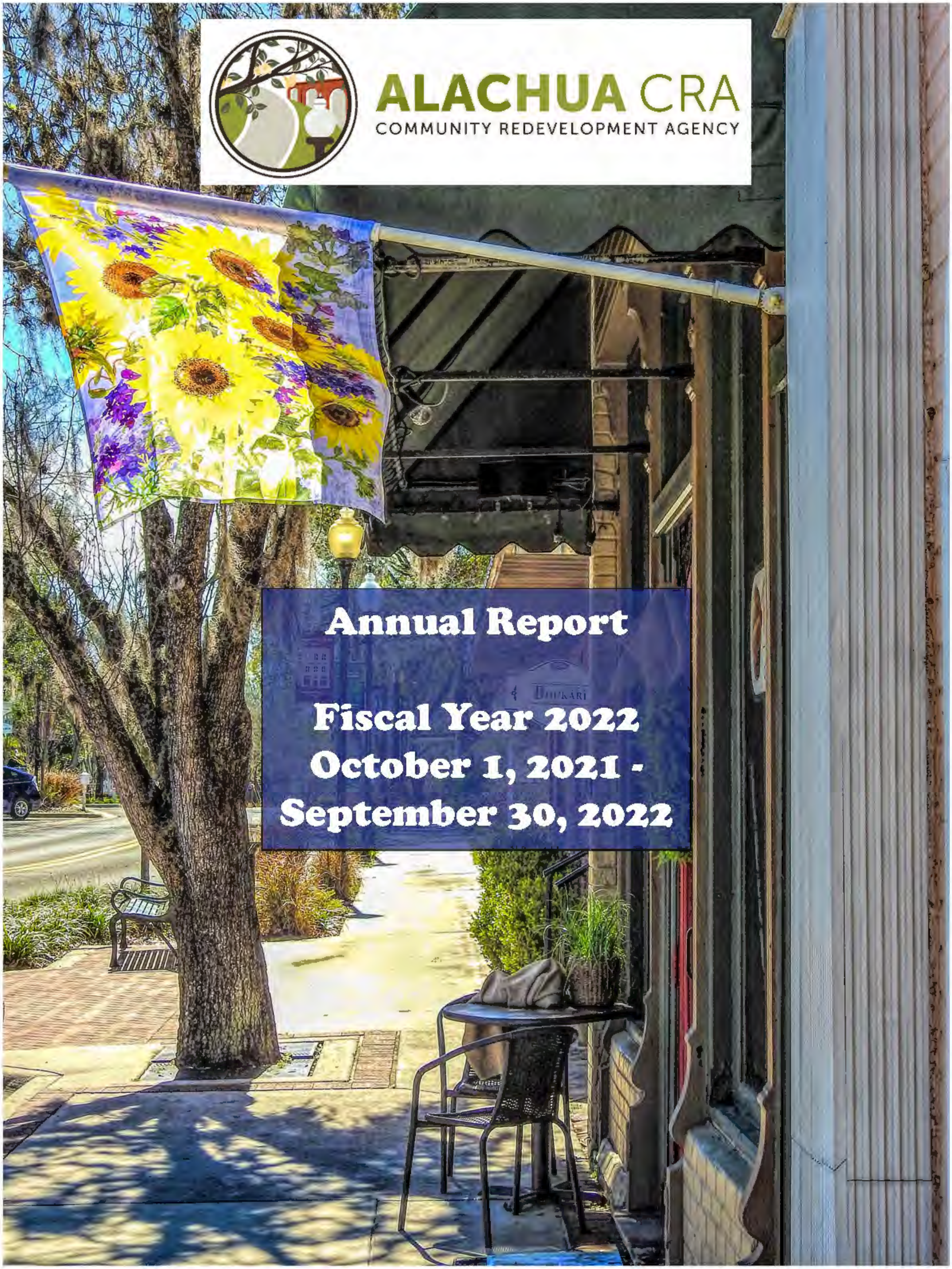
Summary

Staff has prepared the Annual Report for Fiscal Year 2021-2022 of the City of Alachua CRA as required by Florida Statute Chapter 163.371, which requires the CRA to file a report of its activities on or before March 31. The report covers the time period of October 1, 2021 through September 30, 2022. The report includes a complete financial statement setting forth its assets, liabilities, income, and operating expenses of the last fiscal year. The report was provided to Alachua County and posted on the CRA's webpage prior to March 31, 2023.

The report covered CRA activities, including marketing initiatives, the downtown parking lot, the business façade grant program and events.

ATTACHMENTS:

	Description
	CRA Annual Report for FY 2021-22



ALACHUA CRA

COMMUNITY REDEVELOPMENT AGENCY

Annual Report

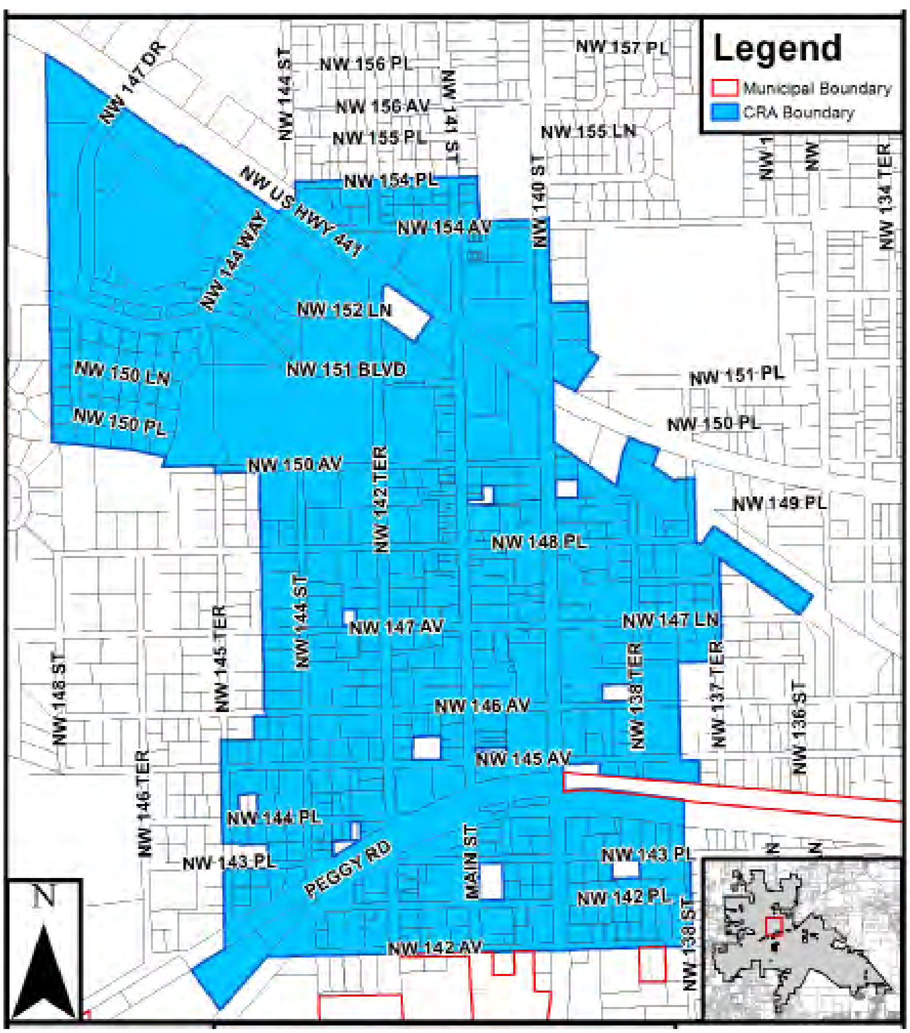
Fiscal Year 2022
October 1, 2021 - September 30, 2022

About Alachua

Established in 1982, the Alachua Community Redevelopment Agency (CRA) aims to breathe new life into the City's downtown area. Since its establishment, the CRA has revived a once-neglected and blighted distract covering 256 acres with transportation improvements, streetscapes, community parks, recreation areas, historic restoration and more. Along with these transformations, the CRA has promoted economic development and improved the quality of life of residents through public and private opportunities such as retail spaces and shops, community events and affordable housing. As the redevelopment plan moves forward, the CRA hopes to establish the downtown and surrounding area as a quaint yet vibrant community with offerings for both residents and visitors.

The CRA established and amended a 30-year plan - set to end in 2043 - with the primary goal of creating a more vibrant, livable and healthy downtown area for all citizens. The Alachua City Commission serves as the governing board for the CRA.

The Alachua CRA has a five-member advisory board that provides recommendations to the CRA and is comprised of key stakeholders such as residents and business owners within the redevelopment area.



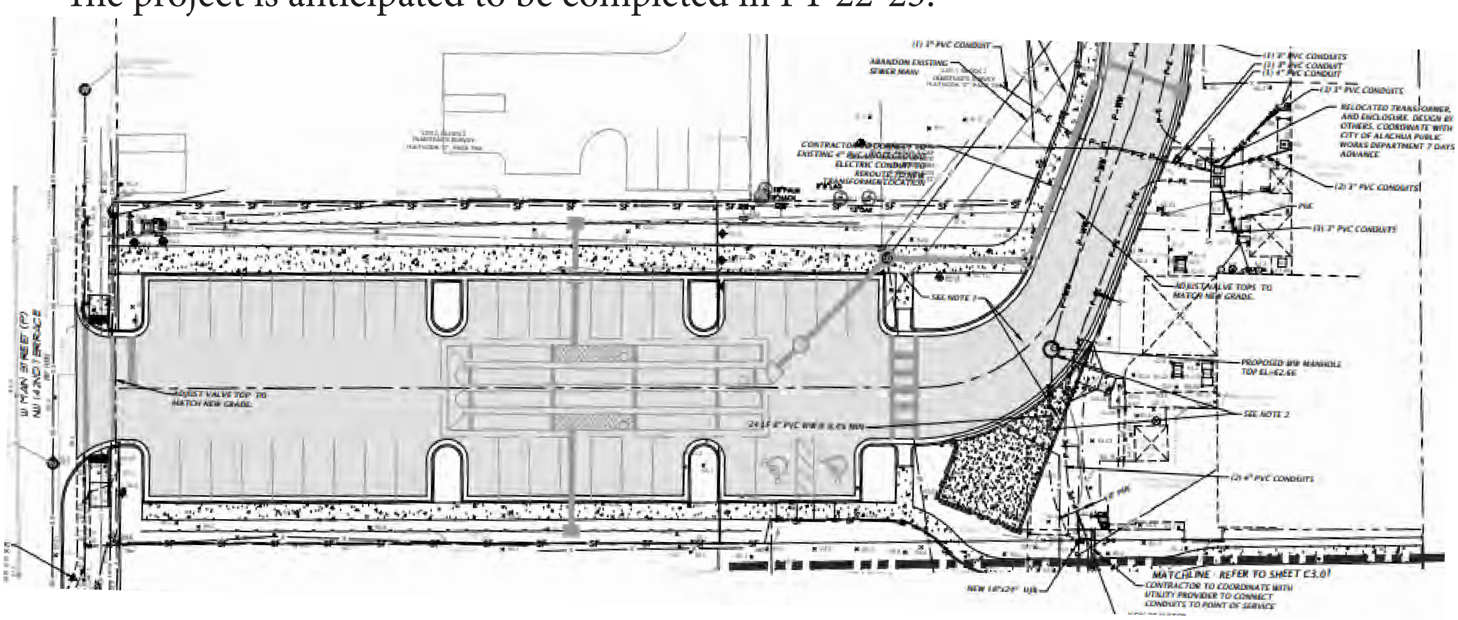
With approximately 130 businesses located in the current CRA, residents have convenient access to groceries, specialty shops, dining and more.

The CRA supports the preservation of the existing historic neighborhoods while encouraging the development of affordable housing for senior citizens or low-income households.

Downtown Parking Lot

The Downtown Parking Project advances as the groundbreaking took place and construction continues toward completion. Once completed, a new public parking lot and an underground water retention basin beneath the surface area will be established. All above-ground utilities will also be relocated underground. These solutions will increase business space behind Main Street businesses. It will provide an increased parking supply and a more efficient stormwater runoff in the area.

In FY 21-22, $190,563.29 were expended on costs associated with the parking lot. The project is anticipated to be completed in FY 22-23.



Marketing and Restoration

Billboards

The CRA leased four billboards on Interstate-75. Two billboards are in the northbound direction within two miles of the exit. Two billboards are in the southbound direction, one located 30 miles south of Alachua and the other located at the exit.

The goal of the billboards is to create visual messages that generate maximum impact for featured events. Billboard expenses were $27,002.94 in FY 21-22.

Media

The CRA engages the public using various avenues of social and print media. The CRA spent approximately $6,265.58 on marketing campaigns in FY 21-22.

Facade Grant

The Business Facade Grant Program was established by the CRA in Fiscal Year 2019. The Program offers eligible businesses within the CRA who want to restore their building's facade with a 50% matching grant between $500 and $12,500.

The CRA received one application for an eligible buidling in Fiscal Year 21-22, whose owner changed the awnings over the door and windows and applied a fresh coat of paint.

In FY 21-22, a total of $2,347.73 was spent on the Facade Grant Program.

Holiday Nights

Historic Main Street was transformed into a winter wonderland for three Fridays in December (3rd, 10th, and 17th) with the innaugural Holiday Nights. The kickoff event coincided with the Annual Tree Lighting. The street was filled with horse and carriage rides, visits with Santa Claus at Santa's House on Main, photo opportunities, and individuals greeting families while dressed as holiday characters. Businesses reported increased patronage. The event was a collaboration with local businesses along Main Street.

Events

In addition to Holiday Nights, the CRA works with local business groups and non-profit organizations to continue hosting events in the CRA District. Some of those events include the Alachua Main Street Harvest Festival, A.L. Mebane High School Homecoming Parade and Trick or Treat on Main Street. These events bring thousands of people into the District and provide valuable revenue and marketing for the businesses located within the District.

2022

Community Redevelopment Agency
City of Alachua, Florida

Financial Statements and Independent Auditor's Report

September 30, 2022

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

COMMUNITY REDEVELOPMENT AGENCY

CITY OF ALACHUA, FLORIDA

SEPTEMBER 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

Report on the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities and the major fund of the Community Redevelopment Agency (the CRA), a component unit of the City of Alachua, Florida, as of and for the year ended September 30, 2022, 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 major fund of the CRA, as of September 30, 2022, 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 Opinion
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*. 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 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

INDEPENDENT AUDITOR'S REPORT

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 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.

Other Matters

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2023, 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 the CRA's internal control over financial reporting and compliance.

Purvis Gray

March 29, 2023
Gainesville, Florida

ORGANIZATION CHART
SEPTEMBER 30, 2022
COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA

CRA Board:
Gib Coerper - Chair
Jennifer Blalock - Vice Chair
Shirley Green Brown - Member
Dayna Miller – Member
Edward Potts - Member

Mike DaRoza - Executive Director

CRA Advisory Board:
Rudy Rothsieden - Chair
Kelly Harris - Vice Chair
Marvin Bingham, Jr. - Member
Bryan Boukari - Member
Rick Robertson - Member

MANAGEMENT’S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the City of Alachua Community Redevelopment Agency (CRA) is intended to provide an overview of the CRA's financial position and results of operations for the fiscal year ended September 30, 2022.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the CRA's financial statements (beginning on page 12), including the accompanying notes, to enhance the understanding of the CRA's financial performance. Please note the CRA provides prior year comparative financial information as required by Governmental Accounting Standards Board (GASB) Statement No. 34.

Financial Highlights

- At September 30, 2022, the CRA had a restricted fund balance of $582,737 resulting from unspent tax increment financing revenues and an additional non-spendable balance of $5,784.

- The current year net decrease of $155,660 in the CRA fund balance was the result of planned expenditures related to projects that occurred during the fiscal year.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements consist of the following components: (1) government-wide financial statements, (2) fund financial statements, (3) notes to the financial statements, and (4) required supplementary information. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

- The CRA's total net position increased by $78,053 over the prior reported period. Increased net position was achieved, primarily, as a result of planned expenditures related to events and projects that did not occur during the fiscal year.

- The CRA's total long-term debt (due in more than one year) decreased by $95,518 during the current fiscal year. This decrease is due to the normal payment of principal during 2022.

- Total net position ($1.90 million) is comprised of the following:

    1. The $1.32 million net investment in capital assets includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets.

    2. $580.5 thousand of net position is restricted by externally imposed constraints, such as debt covenants, grantors, laws, or regulations, or by enabling legislation.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the CRA's finances, in a manner similar to a private sector business, and consist of the following two statements:

- The *statement of net position* presents information on all of the CRA's assets, liabilities, deferred outflows of resources, and deferred inflows of resources, with the difference between these elements reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is strengthening or weakening.

- The *statement of activities* presents information showing how the CRA's net position changed during the most recent fiscal year, focusing on both the gross and net costs that are supported by the CRA's general tax increment funding and other revenues, primarily ones intended to recover all or a significant portion of their cost through user fees and charges.

Both of these financial statements distinguish functions of the CRA and are principally supported by tax increment funding that is based on property valuation. The governmental activities of the CRA are intended to rehabilitate, conserve, and redevelop areas within the geographical boundaries of the district. The government-wide financial statements can be found on pages 12-13 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The CRA only reports as a governmental fund.

- As of September 30, 2022, the CRA's governmental fund reported an ending fund balance of $588,521, a decrease of $155,660 in comparison with the prior fiscal year. This was the result of planned expenditures related to capital projects that began during the fiscal year.

- The governmental fund revenues were $516,917, or $30,162 more than the previous fiscal year. The increase in revenues is due to higher property valuations and increased rental revenue.

Governmental Funds

Governmental funds essentially account for the same functions reported as governmental activities in government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of *spendable resources,* as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Because of the different measurement focus (current financial resources versus total economic resources), a reconciliation of the governmental fund balance sheet to the government-wide statement of net position and a reconciliation of the governmental fund statement of revenues, expenditures, and changes in fund balances to the government-wide statement of activities is provided (see pages 15 and 16) to facilitate the comparison between governmental funds and governmental activities. The flow of current financial resources will reflect bond proceeds and inter-fund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bonds and others) into the governmental activities column (in the government-wide statements).

The CRA reports one (1) individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the CRA general fund.

The CRA adopts an annual budget for its general fund. Budgetary comparison schedules have been provided as required supplementary information to demonstrate budgetary compliance. The basic governmental fund statements can be found on pages 14-17 of this report.

Notes to the Financial Statements
The notes provide additional information that is essential to fully understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18-22 of this report.

Other Information
The combining statements referred to earlier present a more detailed view of the governmental funds. Also included are budgetary comparison schedules. The combining statements and budgetary comparisons can be found on pages 23-24 of this report.

Government-Wide Financial Analysis
Net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets exceeded liabilities by $1,901,662 at the close of the fiscal year ended September 30, 2022**.**

A portion of the CRA's net position, $580,521, represents resources that are subject to external restriction on how they may be used.

The largest portion of the CRA's net position ($1,321,141 or 69.47%) reflects its investment in capital assets (e.g., land, infrastructure, buildings and equipment), less any related outstanding debt used to acquire those assets. The CRA uses these capital assets to provide services within the district; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Reported below is a condensed statement of net position to demonstrate the changes from year to year. For more detailed information, see the statement of net position on page 12.

**Community Redevelopment Agency
of the City of Alachua
Statement of Net Position
As of September 30, 2022 and 2021**

	Governmental Activities		Total % Change
	2022	2021	2021-2022
Current Assets and Other Assets	$ 676,415	$ 751,900	-10.04%
Capital Assets	1,418,791	1,272,596	11.49%
Total Assets	2,095,206	2,024,496	3.49%
Long-Term Liabilities Outstanding	97,650	193,168	-49.45%
Other Liabilities	95,894	7,719	1142.31%
Total Liabilities	193,544	200,887	-3.66%
Net Position			
Net Investment in Capital Assets	1,321,141	1,079,428	22.39%
Restricted	580,521	744,181	-21.99%
Total Net Position	$ 1,901,662	$ 1,823,609	4.28%

Normal Impacts

There are six (6) basic (normal) transactions that will affect the comparability of the statement of net position summary presentation:

- Net Results of Activities: will impact (increase/decrease) current assets and liabilities and unrestricted net position.
- Borrowing of Capital: will increase current assets and long-term debt.
- Spending Borrowed Proceeds on New Capital: will reduce current assets and increase capital assets with a secondary impact being that an increase in invested capital assets and an increase in related net debt will not change the net investment in capital assets.
- Spending of Non-Borrowed Current Assets on New Capital: will reduce current assets, increase capital assets, reduce unrestricted net position, and increase net investment in capital assets.
- Principal Payment on Debt: will reduce current assets and long-term debt and increase net investment in capital assets.
- Reduction of Capital Assets through Depreciation: will reduce net investment in capital assets.

Community Redevelopment Agency
of the City of Alachua
Changes in Net Position
As of September 30, 2022 and 2021

	Governmental Activities		Totals % change
	2022	**2021**	**2021-2022**
Revenues:			
General Revenues:			
Intergovernmental	$ 490,008	$ 473,846	3.41%
Other	26,909	12,909	108.45%
Total Revenues	516,917	486,755	6.20%
Expenses:			
Economic Environment	435,103	347,550	25.19%
Interest on Long-Term Debt	3,761	5,847	-35.68%
Total Expenses	438,864	353,397	24.18%
Increase (Decrease) in Net Position	78,053	133,358	-41.47%
Net Position - Beginning	1,823,609	1,690,251	7.89%
Net Position - Ending	$ 1,901,662	$ 1,823,609	4.28%

Government-Wide Net Position

The CRA's total net position at the end of fiscal year 2022 improved by $78,053 resulting from increased revenue and planned expenditures related to capital projects that did not occur during the fiscal year.

Governmental Activities

The CRA's net position within governmental activities decreased by $155,660 during fiscal year 2022 from increased revenue and planned expenses related to capital projects that began during the fiscal year.

Major changes in revenues were caused by the following:

- For fiscal year ending September 30, 2022, other revenue increased by $14,000 as a result of a greater amount of revenue related to private events.

Major changes in expenditures were caused by the following:

- Expenditures for governmental activities experienced an increase of $278,441. This increase was, primarily, the result of the downtown parking lot construction project, façade reimbursement program, community programing, and additional landscaping maintenance.

Fund Financial Analysis

The CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The primary purpose of the CRA's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable resources.* Such information is useful in assessing the CRA's financing requirements. In particular, *assigned and unassigned fund balance* may serve as a useful measure of a government's net resources, available for spending, at the end of the fiscal year.

As of the end of fiscal year 2022, the CRA's governmental fund reported an ending fund balance of $588,521, a decrease of $155,660 in comparison with the prior year.

CRA Budgetary Highlights with Variances

The CRA Budget was adopted at $970,030 for the fiscal year 2022. An additional budget amendment was done for the Economic Environment grant award of $150,000 for the downtown parking lot. The final fiscal year 2022 budget was $1,120,030.

General Fund Actual Results Highlights with Variances

At September 30, 2022, the CRA's General Fund experienced a negative variance between its final operating revenue budget and actual operating revenue in the amount of $133,092. This was due to the budget amendment for the Economic Environment grant award that was not earned by the end of the fiscal year. The CRA's General Fund experienced a positive variance between its final operating expenditure budget and actual operating expenditures in the amount of $447,443. This was primarily due to unspent capital expenses for unfinished projects.

Capital Asset and Debt Administration

The CRA's capital assets for its governmental and business-type activities as of September 30, 2022, totaled $1.42 million (net of accumulated depreciation), and includes land, buildings, improvements other than buildings, equipment, infrastructure, and construction in progress.

Community Redevelopment Agency
of the City of Alachua
Capital Assets
As of September 30, 2022 and 2021

	Governmental Activities 2022	Governmental Activities 2021	Total % Change 2021-2022
Land	$ 108,981	$ 108,981	0.0%
Buildings	40,658	40,658	0.0%
Improvements other than Buildings	1,427,470	1,427,470	0.0%
Furniture, Fixtures, and Equipment	5,958	5,958	0.0%
Construction in Progress	272,270	73,707	269.4%
Less: Accumulated Depreciation	(436,546)	(384,178)	13.6%
Total Assets	$ 1,418,791	$ 1,272,596	11.5%

The CRA continues to focus on expanding the economic growth of the district by maintaining its current infrastructure capabilities.

Construction of a downtown parking lot began during fiscal year 2022 in the amount of $1,004,396. The project is being funded by the CRA and the City of Alachua general fund. The CRA fiscal year 2022 commitment for this project is $557,234.

Additional information on the CRA's capital assets can be found in Note 3 starting on page 21 of this report.

Long-Term Debt
At the end of fiscal year 2022, the CRA had total long-term debt outstanding of $97,650. The CRA's debt represents one note (1) which is secured by tax increment revenue.

The CRA's outstanding principal debt decreased $95,518 during fiscal year 2022. Debt activity included normal principal/interest payments related to the Redevelopment Revenue Note, Series 2013.

COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF ALACHUA
OUTSTANDING DEBT
As of September 30, 2022 and 2021

	Governmental Activities		Total % Change
	2022	**2021**	**2021-2022**
Revenue Notes	$ 97,650	$ 193,168	-49.4%
Total Debt	$ 97,650	$ 193,168	-49.4%

Additional information on the City's debt can be found in Note 5 starting on page 22 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Gainesville MSA was 2.4%, which includes the City of Alachua. This is a 54% decrease from the previous fiscal year's rate of 5.2%.
- The final certified incremental value of property within the CRA increased to $45.2 million, representing an increase of 3.67% from the prior year value of $43.6 million.
- The City of Alachua millage rate was 5.3900 mills and Alachua County levied 7.8662 mills.
- During the current fiscal year, tax increment revenues totaled $490,008. This represents an increase of 4.04%.

Requests for Information
This financial report is designed to present users with a general overview of the CRA's finances and to demonstrate the CRA's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact Finance and Administrative Services, P.O. Box 9, Alachua, Florida, 32616-0009. Additional information can be found on our website: www.cityofalachua.com.

FINANCIAL STATEMENTS

COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Assets		
Cash and Cash Equivalents	$	670,631
Inventory		4,961
Prepaid Items		823
Capital Assets Not Being Depreciated:		
Land		108,981
Construction in Progress		272,270
Depreciable Capital Assets, Net		1,037,540
Total Assets		2,095,206
Liabilities		
Accounts Payable		13,723
Due to City		72,648
Other Accrued Liabilities		9,523
Non-Current Liabilities:		
Due Within One Year		97,650
Total Liabilities		193,544
Net Position		
Net Investment in Capital Assets		1,321,141
Restricted for Redevelopment Projects		580,521
Total Net Position	$	1,901,662

See accompanying notes.

COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2022

	Expenses	Net Revenue (Expense) and Changes in Net Position Total Governmental Activities
Functions		
Governmental Activities:		
Economic Environment	$ 435,103	$ (435,103)
Interest on Long-Term Debt	3,761	(3,761)
Total Governmental Activities	$ 438,864	(438,864)
General Revenues:		
Tax Increment Revenues		490,008
Investment and Other Income		26,909
Total General Revenues		516,917
Change in Net Position		78,053
Net Position, Beginning of Year		1,823,609
Net Position, End of Year		$ 1,901,662

See accompanying notes.

COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA
BALANCE SHEET
SEPTEMBER 30, 2022

Assets		**General Fund**
Cash and Cash Equivalents	$	670,631
Inventory		4,961
Prepaid Items		823
Total Assets		676,415
Liabilities and Fund Balance		
Liabilities		
Accounts Payable		13,723
Other Accrued Liabilities		9,523
Due to City		64,648
Total Liabilities		87,894
Fund Balance		
Non-Spendable:		
Prepaids		823
Inventory		4,961
Restricted for:		
Economic Environment		582,737
Total Fund Balance		588,521
Total Liabilities and Fund Balance	$	676,415

See accompanying notes.

COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Fund Balance - Total Governmental Funds	$	588,521
Capital assets reported for governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Cost of Assets		1,855,337
(Accumulated Depreciation)		(436,546)
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:		
Due to City		(8,000)
2013 Redevelopment Note		(97,650)
Net Position of Governmental Activities	$	1,901,662

See accompanying notes.

COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2022

	General Fund
Revenues	
Tax Increment Revenues	$ 490,008
Investment and Other Income	26,909
Total Revenues	516,917
Expenditures	
Economic Environment:	
Personal Services	86,118
Operating Expenses	296,617
Debt Service:	
Principal	95,518
Interest	3,761
Capital Outlay	190,563
(Total Expenditures)	(672,577)
Net Change in Fund Balance	(155,660)
Fund Balance, Beginning of Year	744,181
Fund Balance, End of Year	$ 588,521

See accompanying notes.

COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Net Change in Fund Balance - Total Governmental Funds	$	(155,660)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense:		
Expenditures for Capital Assets		190,563
Depreciation Expense		(52,368)
Repayment of long-term liabilities are expenditures in the governmental funds but the repayment reduces long-term liabilities in the statement of net position.		95,518
Change in Net Position of Governmental Activities	$	78,053

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

In 1982, the Community Redevelopment Agency (the CRA) was established by the City of Alachua, Florida (the City) pursuant to Ordinance 82-5 to carry out the community redevelopment purposes of Florida Statute, Chapter 163. Subsequent amendments were made to the CRA through Ordinances 98-4, 98-24, 99-03, and 13-07. The City Commission serves as the CRA Board and the City maintains operational responsibility for the CRA's activity. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government of the City.

The accounting policies of the CRA conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the governmental activities of the CRA. The government-wide focus is more on the sustainability of the CRA as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund level. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given functional category are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category. Program revenues include operating and capital grants and contributions.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on their balance sheet. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide governmental activities column, a reconciliation is sometimes necessary to explain the adjustments needed to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

The CRA's operating statements present sources (revenue and financing sources) and uses (expenditures and other financing uses) of available spendable resources during the period. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except for debt service expenditures, which are recognized when due.

Tax increment financing revenue and associated interest with the current fiscal period are both considered to be measurable and have been recognized as revenues of the current fiscal year, if available.

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

The CRA reports the general fund as a major governmental fund. The general fund is used to account for all financial resources received by the CRA. The general fund serves as the primary operating fund of the CRA. The CRA does not have any non-major funds.

Assets, Liabilities, and Net Position

Deposits and Investments: The CRA's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid instruments with original maturities of three months or less from the date of acquisition.

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as qualified public depositories, a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral for their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions providing full insurance for public deposits. The City had deposits only with qualifying institutions as of September 30, 2022.

Capital Assets: Capital assets include land, buildings, and building improvements titled within the designated redevelopment area.

Capital assets titled to the CRA are reported in governmental activities in the government-wide financial statements. The CRA utilizes the City's capitalization policy and capitalizes assets with a cost in excess of $5,000 and an estimated life greater than one year. Buildings and building improvements are depreciated using the straight-line method over the asset's estimated useful life which generally consist of a range between 10-50 years. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized but are expensed as incurred.

Nature and Purpose of Fund Balance: In the fund financial statements, the governmental fund reports fund classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. Amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the CRA Board through an ordinance or resolution are classified as committed fund balances. Amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by the CRA Board or the City Manager. Non-spendable fund balances include amounts that cannot be spent because they are either: a) not in spendable form, or b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that is not restricted, committed, or assigned to specific purposes within the general fund.

Unspent tax increment financing revenues are restricted for future redevelopment projects and are reported as restricted fund balance in the financial statements. Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned to specific purposes within the general fund.

Compensation Costs: The CRA has no employees of its own. Instead, the CRA reimburses the City for the portion of salaries and benefits attributable to CRA activities based on the estimated time spent on those activities as projected during the annual budget process. Any long-term payroll and benefit liabilities, such as compensated absences, other postemployment benefits, or pension liabilities, are reported on the City's financial statements.

Net Position: The government-wide statements utilized a net position presentation. Net investment in capital assets is that portion of net position that relates to the CRA's capital assets reduced by accumulated depreciation. Restricted net position is unspent tax increment financing revenues that are restricted for future redevelopment projects. Unrestricted net position represents the net position of the CRA that is not restricted for any project or purpose.

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Risk Management: The CRA is adequately insured for general liability and directors and officers insurance through the purchase of a commercial insurance policy. The amount of settlements has not exceeded insurance coverage in any of the past three years.

Note 2 - Cash, Cash Equivalents, and Investments

Deposits
At September 30, 2022, the carrying amount of the CRA's cash deposits was $670,631. All of the City's cash deposits are held in banks that qualify as a public depository under the *Florida Security for Public Deposits Act* (the Act) as required by Chapter 280, Florida Statutes. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledged level. The pledging level may range from 25% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. In event of default by a qualified public depository, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Therefore, all cash and time deposits held by banks are fully insured and collateralized.

Note 3 - Capital Assets

Capital asset activity for the year ended September 30, 2022 follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 108,981	$ -	$ -	$ 108,981
Construction in Progress	73,707	198,563	-	272,270
Total Capital Assets Not Being Depreciated	182,688	198,563	-	381,251
Capital Assets Being Depreciated:				
Building	40,658	-	-	40,658
Improvements Other Than Buildings	1,427,470	-	-	1,427,470
Equipment	5,958	-	-	5,958
Total Capital Assets Being Depreciated	1,474,086	-	-	1,474,086
Less Accumulated Depreciation:				
Building	(367,205)	(49,305)	-	(416,510)
Improvements Other Than Buildings	(3,376)	(966)	-	(4,342)
Equipment	(13,597)	(2,097)	-	(15,694)
Total Accumulated Depreciation	(384,178)	(52,368)	-	(436,546)
Total Capital Assets Being Depreciated	1,089,908	(52,368)	-	1,037,540
Total Capital Assets, Net	$ 1,272,596	$ 146,195	$ -	$ 1,418,791

Depreciation expense in the amount of $52,368 was charged to the economic environment function in the statement of activities.

Note 4 - Tax-Increment Financing Revenue

The CRA is primarily funded through tax-increment financing revenue. This revenue is computed by applying the operating tax for Alachua County (the County) and the City multiplied by 95% of the increased value of property in the CRA over the base property value. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Note 5 - Long-Term Liabilities

The following schedule summarizes the changes in the CRA's governmental long-term liabilities during the year ended September 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2013 Redevelopment Note	$ 193,168	$ -	$ (95,518)	$ 97,650	$ 97,650
Total	$ 193,168	$ -	$ (95,518)	$ 97,650	$ 97,650

- **Redevelopment Revenue Note, Series 2013 – Direct Placement**
  On May 23, 2013, the City executed a loan agreement with BB&T Governmental Finance for the purposes of funding or financing redevelopment activities within the CRA's redevelopment district. The City has met the requirement, together with the investment earnings thereon, to expend the funds within three years of the date of issuance and to pay the costs of the redevelopment project according to the City's Redevelopment Plan.

  Payment of the note is secured by a pledge of the amounts derived from the increment revenues and covenant to budget and appropriate non-ad valorem revenues. Interest is payable semiannually for ten years on June 1 and December 1 at a fixed interest rate of 2.22%. Principal payments are also due semiannually on June 1 and December 1.

The following schedule summarizes the retirement of the governmental long-term debt by fiscal year:

Fiscal Year Ending	Principal	Interest	Total
2023	$ 97,650	$ 1,629	$ 99,279
Total	$ 97,650	$ 1,629	$ 99,279

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

REQUIRED SUPPLEMENTARY INFORMATION
COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET TO ACTUAL (BUDGETARY BASIS) - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2022
CITY OF ALACHUA

	Budgeted Amounts		Actual	Variance with
	Original	**Final**	**Amounts**	**Final Budget**
Revenues				
Tax Increment Revenues	$ 490,009	$ 490,009	$ 490,008	$ (1)
Intergovernmental Revenue	-	150,000	-	(150,000)
Miscellaneous	10,000	10,000	26,909	16,909
Total Revenues	500,009	650,009	516,917	(133,092)
Expenditures				
Economic Environment:				
Personal Services	118,634	118,634	86,118	32,516
Operating Expenses	336,382	334,882	296,617	38,265
Total Economic Environment:	455,016	453,516	382,735	70,781
Debt Service:				
Principal	95,518	95,518	95,518	-
Interest	3,762	3,762	3,761	1
Total Debt Service	99,280	99,280	99,279	1
Capital Outlay	405,734	557,234	190,563	366,671
Reserve for Contingency	10,000	10,000	-	10,000
(Total Expenditures)	(970,030)	(1,120,030)	(672,577)	447,453
Net Change in Fund Balance	(470,021)	(470,021)	(155,660)	314,361
Fund Balance, Beginning of Year	629,844	629,844	744,181	114,337
Fund Balance, End of Year	$ 159,823	$ 159,823	$ 588,521	$ 428,698

See note to required supplementary information.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022
COMMUNITY REDEVELOPMENT AGENCY
CITY OF ALACHUA, FLORIDA

Note 1 - <u>Budgetary Procedures and Budgetary Accounting</u>

The Community Redevelopment Agency (CRA) adheres to the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

The CRA's budget is first adopted by the CRA's Board and is then presented to the City of Alachua, Florida Commission for ratification prior to September 30. The City Commission serves as the CRA and governing board. The CRA receives recommendations from an appointed five member advisory board.

Budget oversight rests with the Planning and Community Development Department. There was one budget amendment affecting the CRA during the fiscal year. $199,239 of budgeted transfers in from the City's General Fund to the CRA have been reclassified to tax increment revenues in the accompanying CRA financial statements.

OTHER REPORTS

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*

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, 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 the major fund of the Community Redevelopment Agency (the CRA), a component unit of the City of Alachua, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated March 29, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 CRA'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 CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

March 29, 2023
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES – INVESTMENT OF PUBLIC FUNDS

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

We have examined the Community Redevelopment Agency's (the CRA) compliance with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2022, as required by Section 10.556 (10)(a), *Rules of the Auditor General*. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the 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 non-compliance, 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 of the CRA's compliance with specified requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

This report 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 and pass-through entities, the CRA Board members, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 29, 2023
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND (7), FLORIDA STATUTES

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

We have examined the Community Redevelopment Agency's (the CRA) compliance with Section 163.387(6) and (7), Florida Statutes, as of and for the year ended September 30, 2022, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the 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 non-compliance, 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 of the CRA's compliance with specified requirements.

Our examination disclosed the following material non-compliance with Section 163.387(6) and (7), Florida Statutes applicable to the CRA for the year ended September 30, 2022.

2022-01 – Budgetary Compliance

Condition—Section 163.387(6)(b), Florida Statutes requires that the CRA shall submit its annual budget to the Board of County Commissioners for the County in which it is located within 10 days after the adoption of such budget and submit amendments of its annual budget within 10 days after the adoption date of the amended budget. Although the CRA's budget was posted publicly to the City's website, the budget was not submitted to the Alachua County Board of County Commissioners (BOCC) within the required 10-day period, nor was the BOCC notified that the budget had been posted online.

Effect—The CRA was not in compliance with 163.387(6)(b), Florida Statutes.

Recommendation—We recommend that the CRA review its internal controls and establish processes to ensure the budget and any related amendments are submitted to the BOCC within 10 days of adoption.

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 163.387(6) AND (7), FLORIDA STATUTES**

In our opinion, except for the material non-compliance described in the preceding paragraph, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

This report 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 and pass-through entities, the CRA Board members, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 29, 2023
Gainesville, Florida

MANAGEMENT LETTER

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

Report on the Financial Statements
We have audited the financial statements of the Community Redevelopment Agency (the CRA), a component unit of the City of Alachua, Florida (the City), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 29, 2023.

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

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Reports 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 that report, which is dated March 29, 2023, 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. Finding 2021-01 is repeated in the current year as 2022-01. This item was not reported in the second preceding annual 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. This is disclosed in Note 1 of 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.

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

MANAGEMENT LETTER

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, we did not have any such recommendations.

Special District Component Unit
Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special agency 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.

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

a. The total number of district employees compensated in the last pay period of the district's fiscal year as 0.
b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the district's fiscal year as 0.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $0.
d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as $0.
e. Each construction project with a total cost of at least $65,000 approved by the 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 $557,234.
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, as $150,000.

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

To the Downtown Redevelopment Trust Board
Community Redevelopment Agency
City of Alachua, Florida

MANAGEMENT LETTER

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, and the Board of Directors and management of the CRA, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 29, 2023
Gainesville, Florida

ALACHUA CRA
COMMUNITY REDEVELOPMENT AGENCY

MIKE DAROZA
EXECUTIVE DIRECTOR

PLANNING & COMMUNITY DEVELOPMENT
DIRECTOR KATHY WINBURN, AICP

March 29, 2023

The Honorable Sherrill F. Norman, CPA
State of Florida Auditor General
Claude Pepper Building, Room 401
Local Government Audits/342
111 West Madison Street
Tallahassee, FL 32399-1450

RE: Management Letter Responses for 9/30/22 Audit

Honorable Auditor General Norman:

After reviewing the Independent Auditor's Management Letter, the Alachua Community Redevelopment Agency and staff have implemented the following recommendations in response to the Independent Auditor's comments.

If any further assistance is needed please contact me at (386) 418-6100 between the hours of 7:30 AM until 5:30 PM Monday - Thursday.

Sincerely,

Mike DaRoza
Executive Director

PO Box 9
Alachua, Florida 32616-0009

"The Good Life Community"
www.cityofalachua.com

Phone: (386) 418-6120
Fax: (386) 418-6130

The Alachua Community Redevelopment Agency (CRA) has acted to implement the current recommendations as follows:

Current Year Findings and Recommendations

Budgetary Compliance:

Status: The Executive Director of the Alachua CRA, as March 30, 2022 instructed the CRA Coordinator to annually provide the adopting resolution and budget to the County Manager's office within seven (7) days. Said communication shall be performed electronically (via email) and be copied to the City's Finance and Administrative Services Director.

As of the date of the audit finding, the required submittal deadline could not have been met for the Fiscal Year 2021 – 2022 period.

This situation has been remedied and requirements have been complied with for Fiscal Year 2022-2023.

Board/Committee
Agenda Item

MEETING DATE: 4/17/2023
SUBJECT: Staff Updates

PREPARED BY: Adam Hall, AICP, Principal Planner

RECOMMENDED ACTION:
Receive updates.

Summary

Downtown Parking Lot

The downtown parking lot has been completed. A ribbon cutting ceremony was held on March 23, 2023. Staff continues to address minor issues and is working to add the facility to the current landscape maintenance and irrigation contracts.

CRA Coordinator

The CRA Coordinator position has been filled. Ms Susan K. King started on April 3, 2023 and brings an extensive background in grant research and management, marketing, and business outreach.