

**AGENDA
TOWN OF JUPITER
COMMUNITY REDEVELOPMENT AGENCY (CRA) MEETING
COUNCIL CHAMBERS
TUESDAY, APRIL 16, 2024
6:30 PM**

Call to Order

Roll Call:

Chair Jim Kuretski
Vice-Chair Malise Sundstrom
Commissioner Ron Delaney
Commissioner Andy Fore
Commissioner Cameron May
Executive Director Frank Kitzerow
Commission Attorney Thomas J. Baird

If you would like to speak on any item, please submit a Comment Card.

CITIZEN COMMENTS

All Non-agenda items are limited to three (3) minutes. Anyone wishing to speak is asked to state his/her name and address for the record prior to addressing the Commission. **The Commission will not discuss these items this evening. Any issues will be referred to Staff for investigation; a report will be forwarded to the Commission; and citizens will be contacted.**

MINUTES

1. April 2, 2024 Community Redevelopment Agency Meeting Minutes.

PRESENTATION

2. Town of Jupiter's CRA fiscal year 2023 Annual Comprehensive Financial Report (ACFR) by Marcum CPA Firm.

REPORTS

COMMISSION ATTORNEY

EXECUTIVE DIRECTOR

COMMISSIONER'S COMMENTS

ADJOURNMENT

NOTICE

Town Council and CRA Meetings are now webcasted real-time and viewable on your computer or mobile device:

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Back up material for the CRA Meetings are available online one (1) week before the Regular Meetings
= no materials attached *revisions may occur*

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Section 2-64; Decorum, disturbing meeting

While the Town Council is in session, the members thereof and the public present in the Council chambers shall not, by conversation or otherwise, delay or interrupt the proceeding or the peace of the Council. It shall be unlawful for any person to disturb or disrupt a meeting of the Town Council or to refuse to obey the orders of the presiding officer in the conduct of the meeting and such person shall be subject to being summarily ejected from the meeting.

Note: Persons are advised that if they wish to appeal any decision made at this meeting, they will need a record of the proceedings and for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based, per Section 286.0105 of the Florida Statute. Persons with disabilities requiring accommodations in order to participate in the meeting should contact the Town Clerk's office at TownClerk@jupiter.fl.us or 561-741-2415 at least 48 hours in advance to request accommodations.

**FINAL MINUTES AND AGENDA
TOWN OF JUPITER
COMMUNITY REDEVELOPMENT AGENCY (CRA) MEETING
COUNCIL CHAMBERS
TUESDAY, APRIL 2, 2024**

Chair Jim Kuretski called the meeting to order at 6:30 P.M.

Roll Call: Chair Jim Kuretski; Commissioner Cameron May; Commissioner Malise Sundstrom; Executive Director Frank Kitzerow; Commission Attorney Thomas J. Baird and Board Clerk Laura Cahill. Vice-Chair Ron Delaney arrived at 6:32 P.M. and Commissioner Andy Fore arrived at 6:33 P.M.

MINUTES

1. December 11, 2023 Community Redevelopment Agency Meeting Minutes.

Commissioner Sundstrom moved to approve the December 11, 2023 Community Redevelopment Agency Meeting Minutes; seconded by Commissioner May; motion passed.

Kuretski
Yes

May
Yes

Sundstrom
Yes

CONSENT AGENDA

All items listed in this portion of the agenda are considered routine by the Commission and will be enacted by one motion. There will be no separate discussion of these items unless a Commissioner or citizen so requests; in which event, the item will be removed and considered at the beginning of the regular agenda.

Commissioner May moved to approve the Consent Agenda; seconded by Commissioner Sundstrom; motion passed.

Kuretski
Yes

May
Yes

Sundstrom
Yes

PUBLIC BUSINESS

2. CRA Resolution 1-24, Approving EPW 2024-09, Events Plaza Wall Repairs.

3. CRA Resolution 2-24, Approving the Fiscal Year 2024 Midyear Budget Amendments.

REGULAR AGENDA

PUBLIC BUSINESS

4. Jupiter Dive Center – Request by Jupiter Dive Center for authorization to include 24 daytime parking spaces in the CRA parking lot in a development application request.

Mr. Thatcher Hart, Planning and Zoning, reviewed Jupiter Dive Center’s development application request which included authorization for use of 24 daytime parking spaces in the CRA parking lot in the Inlet Village. He explained that due to the CRA owning the parking lot the applicant was requesting authority for the right to file an application with the Town and would then go before the Planning and Zoning Commission (PZC) followed by Council.

REGULAR AGENDA

PUBLIC BUSINESS

4. Jupiter Dive Center

Commissioner Sundstrom asked what the percentage of spaces were and clarified what the hours would be for daytime use.

Mr. Hart said there were two parking spots for the boats slips in the marina and this was the remaining 22 spaces and would be for daytime use.

Commissioner Sundstrom asked if all 28 employees would be present at the site at the same time.

Mr. Gerald Carroll, owner of Jupiter Dive Center, explained that 28 employees included retail and boat crews and they were factored into the parking spaces.

Vice-Chair Delaney asked where Mr. Carroll's retail location was moving to.

Mr. Carroll said pending the lease they would relocate to the Shoppes of Jupiter.

Commissioner May moved to approve the request by Jupiter Dive Center to authorize to include 24 daytime parking spaces in the CRA parking lot in a development application; seconded by Commissioner Fore; motion passed.

Kuretski
Yes

Delaney
Yes

Fore
Yes

May
Yes

Sundstrom
Yes

REPORTS

COMMISSION ATTORNEY- NONE

EXECUTIVE DIRECTOR- NONE

COMMISSIONER'S COMMENTS- NONE

ADJOURNMENT- 6:37 P.M.

Laura Cahill, Board Clerk

**JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners and Executive Director
Jupiter Community Redevelopment Agency
Jupiter, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Jupiter Community Redevelopment Agency (the "Agency"), a component unit of the Town of Jupiter, Florida, as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency's financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Agency, as of September 30, 2023, and the respective changes in financial position for the fiscal 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 (*Government Auditing Standards*). 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 Agency 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 Agency'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 Agency'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 Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9, and the budgetary comparison schedule and notes to the schedule on pages 26 through 27 be presented to supplement the

financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 28, 2024 on our consideration of the Agency'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 Agency'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 Agency's internal control over financial reporting and compliance.

Marcum LLP

West Palm Beach, Florida
March 28, 2024

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Acting in our capacity as the management of the Jupiter Community Redevelopment Agency (the "CRA" or the "Agency"), we offer readers of the CRA's financial statements this narrative overview and analysis of the financial activities of the CRA for the fiscal year ended September 30, 2023.

Financial Highlights

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$8,372,949 (*net position*).
- The CRA's total net position increased \$2,578,280. Substantially all of this increase is attributable to tax increment revenue in excess of redevelopment expenses due to the timing of CRA projects.
- As of the close of the current fiscal year, the CRA's General Fund reported an ending fund balance of \$536,777, an increase of \$1,681,274 as compared to prior year. The prior year had an unassigned fund balance deficit of \$1,144,497.
- The CRA's capital assets of \$7,790,885 increased by \$50,459 during the current fiscal year due to an increase in capital assets additions net of depreciation.

Overview of the Financial Statements

This management discussion and analysis is intended to serve as an introduction to the CRA's financial statements. The financial statements of the CRA comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required supplementary information in addition to the financial statements themselves.

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.

The *statement of net position* presents information on all of the CRA's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two 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 improving or deteriorating.

The *statement of activities* presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flow*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present functions of the CRA that are principally supported by tax increment revenues (*governmental activities*). The governmental activities of the CRA consist of general government expenses. The CRA has no business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The government-wide financial statements can be found on pages 10 and 11 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. The CRA utilizes only one fund, the *General Fund*, which is classified as a *governmental* fund and accounts for all financial resources of the CRA.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, the 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 *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 CRA's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between the *governmental fund* and *governmental activities*.

The governmental fund financial statements can be found on pages 12 and 14 of this report. The reconciliation of the general fund balance sheet to the statement of net position can be found on page 13. The reconciliation between the governmental fund change in fund balance and the governmental activities change in net position can be found on page 15.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 to 25 of this report.

Other information. In addition to the financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the CRA's budget to actual results for the General Fund for the current year. The CRA adopts an annual appropriated budget for its General Fund, for which a budgetary comparison schedule has been provided on page 26 to demonstrate compliance with this budget.

Government-wide Financial Analysis

As noted earlier, 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 \$8,372,949 at the close of the most recent fiscal year.

The following table provides a summary of the CRA's net position for the fiscal years ended September 30, 2023 and 2022:

SUMMARY OF NET POSITION SEPTEMBER 30, 2023 AND 2022

	Governmental Activities			
	2023	2022	(\$) Change	(%) Change
Assets				
Current and other assets	\$ 4,098,559	\$ 3,688,675	\$ 409,884	11.1%
Capital assets, net	<u>7,790,885</u>	<u>7,740,426</u>	<u>50,459</u>	0.7%
Total Assets	<u>11,889,444</u>	<u>11,429,101</u>	<u>460,343</u>	4.0%
Liabilities				
Current liabilities	3,516,495	4,778,285	(1,261,790)	-26.4%
Noncurrent liability	<u>--</u>	<u>856,147</u>	<u>(856,147)</u>	-100.0%
Total Liabilities	<u>3,516,495</u>	<u>5,634,432</u>	<u>(2,117,937)</u>	-37.6%
Net Position				
Net investment in capital assets	7,784,061	7,740,426	43,635	0.6%
Unassigned (deficit)	--	(1,945,757)	1,945,757	-100.0%
Restricted	<u>588,888</u>	<u>--</u>	<u>588,888</u>	100.0%
Total Net Position	<u>\$ 8,372,949</u>	<u>\$ 5,794,669</u>	<u>\$ 2,578,280</u>	44.5%

The CRA's net position increased by \$2,578,280 during the current fiscal year, which primarily represents the degree to which tax increment revenues exceeded current year expenses.

Current and other assets increased due to an increase in cash of approximately \$410,000. The increase in cash was due to higher tax increment revenues of approximately \$420,000.

Current liabilities decreased approximately \$1,262,000 (26.4%) due to the current year principal payment on an advance from the Town of Jupiter (the "Town") to the CRA.

The Noncurrent liability of \$856,147 was eliminated in the current year due to the completion of a settlement agreement regarding the liability related to the accrual for the tax increment incentive agreement with Harbourside.

Governmental activities. Governmental activities increased the CRA’s net position by \$2,578,280. Key elements of this increase are as follows.

**SUMMARY OF CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	Governmental Activities			
	2023	2022	(\$) Change	(%) Change
Revenues				
Program revenues:				
Charges for services	\$ 101,951	\$ 86,382	\$ 15,569	18.0%
Capital grants and contributions	--	190,178	(190,178)	100.0%
General revenues:				
Tax increment revenue	2,748,541	2,328,345	420,196	18.0%
Investment earnings	33,251	3,312	29,939	904.0%
Reimbursement from the Town	--	270,888	(270,888)	100.0%
Miscellaneous revenue	<u>134,253</u>	<u>2,610</u>	<u>131,643</u>	0.0%
Total Revenues	<u>3,017,996</u>	<u>2,881,715</u>	<u>136,281</u>	4.7%
Expenses				
General government	327,945	1,193,901	(865,956)	-72.5%
Interest expense	<u>111,771</u>	<u>132,057</u>	<u>(20,286)</u>	-15.4%
Total Expenses	<u>439,716</u>	<u>1,325,958</u>	<u>(886,242)</u>	-66.8%
Change in Net Position	2,578,280	1,555,757	1,022,523	65.7%
Net Position - Beginning	<u>5,794,669</u>	<u>4,238,912</u>	<u>1,555,757</u>	36.7%
Net Position - Ending	<u>\$ 8,372,949</u>	<u>\$ 5,794,669</u>	<u>2,578,280</u>	44.5%

Tax increment revenues increased by approximately \$420,000 or 18% for fiscal year 2023. Property values in the CRA’s development area increased by approximately \$65 million or 13% over 2022, accounting for the increase in tax increment revenue.

General government expenses decreased approximately \$866,000 (72.5%) resulting from a decrease in the use of Town staff and services and a decrease in aid provided to other organizations.

Financial Analysis of the Governmental Fund

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The CRA has only one governmental fund, the General Fund. The focus of this *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, *unassigned fund balance* and *fund balance assigned for the subsequent year’s budget* 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 the current fiscal year, the CRA’s General Fund reported an ending restricted fund balance of \$588,888, an increase of \$588,888 for the year.

The \$1,681,274 increase in fund balance for the General Fund in fiscal year 2023 was primarily related to an increase in tax increment revenues and reduced general government expenditures.

General Fund Budgetary Highlights

During fiscal year 2023, total revenues exceeded budget by approximately \$178,000 (excluding appropriated fund balance) as a result of increases in tax increment revenues. Overall, total expenditures were approximately \$3,387,000 less than the final budgeted appropriations for 2023 due to redevelopment projects not being completed by year end. There was an increase of approximately \$1,900,000 from the original budgeted expenditures to the final amended budget for the year, which was attributable to an increase in capital projects.

Capital Asset and Debt Administration

Capital assets. The CRA’s investment in capital assets as of September 30, 2023, amounts to \$7,790,885 (net of accumulated depreciation). This investment in capital assets includes land, improvements other than buildings, and infrastructure. The net increase in the CRA’s investment in capital assets for the current fiscal year was \$50,459. Major capital asset transactions during 2023 consisted of capital outlay expenditures of \$155,835 net of depreciation of \$105,376. Capital assets at September 30, 2023 and 2022 are summarized as follows:

**CAPITAL ASSETS
(NET OF ACCUMULATED DEPRECIATION)
SEPTEMBER 30, 2023 AND 2022**

	Governmental Activities	
	2023	2022
Land	\$ 5,218,551	\$ 5,218,551
Improvement other than buildings	1,542,395	1,602,584
Infrastructure	1,029,939	919,291
Totals	\$ 7,790,885	\$ 7,740,426

Additional information on the CRA’s capital assets can be found in Note 6 to the audited financial statements.

Noncurrent liability. The CRA does not have any debt obligations as of September 30, 2023 and 2022. The noncurrent liability in the prior year consists of a tax incentive rebate liability that was eliminated as part of a settlement agreement. See Note 7 to the audited financial statements.

Economic Factors and Next Year's Budget

The following economic factors were considered in establishing the CRA's budget for the 2023/2024 fiscal year.

- The incremental property valuations in the CRA district are anticipated to be approximately \$473 million in tax year 2024, which represents a \$71 million increase in the CRA incremental value over that of the 2023 tax year. Ad valorem revenues generated from the incremental tax base throughout the CRA is estimated at \$3.1 million for the 2024 fiscal year compared to \$2.7 million for fiscal year 2023. Overall property values compare favorably with those in other areas of Palm Beach County which continued to rise and are expected to increase modestly in future years. Both the Town of Jupiter and Palm Beach County reduced their millage rate for FY24. Palm Beach County reduced their millage from 4.7150 to 4.5000, the Town reduced their millage from 2.4633 to 2.3894. This reduced the tax burden within the district and reduced the overall increment revenue by \$130 thousand.
- The Inlet Village within the CRA continues to experience redevelopment activity along its Riverwalk Corridor which will lead to future gains in surrounding property values.
- Inflationary and economic trends in the area are comparable.

All of these factors were considered in preparing the CRA's budget for the 2023/2024 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 210 Military Trail, Jupiter, Florida, 33458.

FINANCIAL STATEMENTS

**JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

	Governmental Activities
Assets	
Cash	\$ 4,051,160
Accounts receivable, net	2,112
Note receivable	45,287
Capital assets, not being depreciated:	
Land	5,218,551
Capital assets, net of accumulated depreciation:	
Improvements other than buildings	1,542,395
Infrastructure	1,029,939
Total Assets	11,889,444
Liabilities	
Accounts payable	162,291
Advance due to the Town of Jupiter	3,244,204
Deposits	110,000
Total Liabilities	3,516,495
Net Position	
Net investment in capital assets	7,784,061
Restricted for:	
Community development	588,888
Total Net Position	\$ 8,372,949

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

JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER, 30 2023

Functions/Programs	Expenses	Program Revenue			Net Revenue (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General government	\$ 327,945	\$ 101,951	\$ --	\$ --	\$ (225,994)
Interest expense	<u>111,771</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(111,771)</u>
Total Governmental Activities	<u>\$ 439,716</u>	<u>\$ 101,951</u>	<u>\$ --</u>	<u>\$ --</u>	<u>(337,765)</u>
 General Revenues					
					2,748,541
					33,251
					<u>134,253</u>
					Total General Revenues
					<u>2,916,045</u>
					Change in Net Position
					2,578,280
					Net Position - Beginning
					<u>5,794,669</u>
					Net Position - Ending
					<u>\$ 8,372,949</u>

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

**JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

BALANCE SHEET - GENERAL FUND

SEPTEMBER 30, 2023

Assets

Cash	\$ 4,051,160
Accounts receivable, net	2,112
Note receivable	<u>45,287</u>

Total Assets \$ 4,098,559

Liabilities and Fund Balance

Liabilities

Accounts payable	\$ 162,291
Advance due to the Town of Jupiter	3,244,204
Deposits	<u>110,000</u>

Total Liabilities 3,516,495

Deferred Inflows of Resources

Unavailable revenue	<u>45,287</u>
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Fund Balance

Restricted for:	
Community development	<u>536,777</u>

Total Fund Balance 536,777

Total Liabilities and Fund Balance \$ 4,098,559

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

**JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

**RECONCILIATION OF THE GENERAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

SEPTEMBER 30, 2023

Fund Balance - Total General Fund \$ 536,777

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the general fund:

Governmental capital assets	\$ 8,572,710	
Less accumulated depreciation	<u>(781,825)</u>	7,790,885

In the general fund, the long-term note receivable is not available to pay for current period expenditures and, therefore, is reported as unavailable revenue in the general fund

45,287

Net Position of Governmental Activities \$ 8,372,949

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

**JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GENERAL FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Revenues	
Tax increment revenue	\$ 2,748,541
Charges for services	101,951
Investment earnings	33,251
Miscellaneous	<u>143,853</u>
Total Revenues	<u>3,027,596</u>
Expenditures	
Current	
General government	1,078,716
Capital outlay	155,835
Debt service	
Interest	<u>111,771</u>
Total Expenditures	<u>1,346,322</u>
Excess of Revenues over Expenditures	1,681,274
Fund Balance (Deficit) - Beginning	<u>(1,144,497)</u>
Fund Balance - Ending	<u><u>\$ 536,777</u></u>

The accompany notes are an integral part of these financial statements.

**JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF THE
GENERAL FUND TO THE STATEMENT OF ACTIVITIES**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Net Change in Fund Balance - General Fund \$ 1,681,274

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

General fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Capital outlay	\$ 155,835	
Current year depreciation	<u>(105,376)</u>	50,459

Current year change in deferred inflows reported at the fund level, but recognized as revenue in the statement of activities		(9,600)
--	--	---------

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the general fund		<u>856,147</u>
--	--	----------------

Change in Net Position of Governmental Activities \$ 2,578,280

The accompany notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – JUPITER COMMUNITY REDEVELOPMENT AGENCY

The Jupiter Community Redevelopment Agency (the “CRA” or “Agency”) is a dependent special district established by the Town of Jupiter, Florida, (the “Town”) under authority granted by Florida Statute 163, Section III. The purpose of the CRA is to promote and guide the physical and economic redevelopment of approximately 400 acres along the Intracoastal Waterway in the Town of Jupiter. The CRA is a legally separate entity established by Ordinance number 60-01 of the Jupiter Town Council (the “Town Council”) in December 2001. The governing body of the CRA consists of the Town Council and the Town handles the management and administration of the CRA’s financial matters.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the CRA have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. This summary of the CRA’s Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other information in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements. The more significant of the CRA’s governmental accounting policies are described below:

As defined by GAAP, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based upon the application of these criteria, the CRA does not have any component units to report.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all activities of the CRA. These statements include the *governmental activities* of the CRA, which are primarily supported by tax increment revenue. The CRA has no *business-type activities*. The Statement of Net Position presents the financial condition of the CRA, including all long-term assets, as well as all long-term debt and obligations.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or identifiable activity. *Program revenue* includes three categories of transactions: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; (2) operating grants and contributions (none in fiscal year 2023); and, (3) capital grants and contributions (none in fiscal year 2023). Tax increment revenue and other items not meeting the definition of program revenue are reported as *general revenue*. The CRA does not allocate indirect expenses.

FUND FINANCIAL STATEMENTS

The underlying accounting system of the CRA is organized and operated as a separate fund, which is considered to be a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows, fund balance, revenues and expenditures. The CRA utilizes only one fund, the *General Fund*, which is classified as a *governmental* fund and accounts for all financial resources of the CRA.

The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund. Accompanying schedules are presented to reconcile and explain the differences in fund balance and changes in fund balance as presented in these statements, to the net position and changes in net position presented in the government-wide financial statements.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Tax increment revenues are recognized as revenues in the year for which they are levied. Grants, if any, are recognized as revenues 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. Under the modified accrual basis of accounting, revenues are recognized in the period in which they become both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The CRA considers revenues to be available if collected within 60 days of the end of the current fiscal year. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Tax increment revenues, intergovernmental revenues, charges for services and investment income are all considered susceptible to accrual and so have been recognized as revenue in the current fiscal year. All other revenue items are considered to be measurable and available only when received in cash by the CRA.

CASH

Cash consists of amounts on deposit in an interest-bearing account with a financial institution.

ACCOUNTS RECEIVABLE

Accounts receivable include charges for miscellaneous services. The CRA does not require collateral for such amounts. Accounts receivable are reported net of an allowance for uncollectible accounts, if deemed necessary. No allowance was required as of September 30, 2023. Accounts receivable are written off on an individual basis in the fiscal year the CRA deems them uncollectible. The CRA has an accounts receivable balance of \$2,112 as of fiscal year end September 30, 2023.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS

The CRA has reported all capital assets in the government-wide statement of net position. Capital assets are defined by the CRA as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at cost or, if donated, acquisition value at the date of donation. Expenditures, which materially extend the useful life of existing assets, are capitalized. Certain costs for professional services associated with the acquisition and construction of capital assets have been capitalized. The cost of capital assets sold or retired is removed from the appropriate accounts and any resulting gain or loss is included in the change in net position. Depreciation is computed on all capital assets, except land, using the straight-line method over the assets' estimated useful lives. The estimated useful lives of improvements and infrastructure range from 25 to 60 years.

Capital outlay expenditures that are for construction, renovation or acquisition of capital assets that are in the name of the Town and for which the CRA does not have any operational responsibility or obligation for ongoing repair and maintenance are not capitalized. Such assets are transferred to the Town upon acquisition or upon completion of construction or renovation.

EMPLOYEE AND RELATED BENEFIT COSTS

The CRA does not have any employees and therefore, does not have any related benefit costs. The CRA uses Town personnel to perform all operational activities and pays the Town an allocated fee for such services.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the government-wide Statement of Net Position and the governmental fund Balance Sheet may report a separate section for deferred outflows or deferred inflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The CRA has no amounts reported as deferred inflows/outflows of resources on the government-wide Statement of Net Position. The CRA's General Fund has one item, unavailable revenue, which is reported as a deferred inflow of resources on the General Fund Balance Sheet at September 30, 2023.

The unavailable revenue results from a note receivable that will be received over a period of years in the future.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE

The government-wide financial statements utilize a net position presentation, while the governmental fund financial statements report fund balance.

Net Position

Net position of the government-wide financial statements is categorized as investment in capital assets, restricted or unrestricted. *Investment in capital assets* is that portion of net position that relates to the CRA's net capital assets. There was no outstanding balance of long-term debt used to acquire the capital assets. *Restricted net position* is that portion of net position that has constraints placed on its use by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The CRA had restricted net position for community development. *Unrestricted net position* consists of net position that does not meet the definition of investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, the general fund reports fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Nonspendable - Nonspendable fund balance includes amounts that cannot be spent because they are either 1) not in spendable form; or, 2) legally or contractually required to be maintained intact.

Restricted - Restricted fund balance includes amounts that are restricted to specific purposes either by 1) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or, 2) imposed by law through constitutional provisions or enabling legislation.

Committed - Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by the CRA's Board of Commissioners through a Board resolution. The CRA had no committed fund balance.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE (CONTINUED)

Fund Balance (continued)

Assigned - Assigned fund balance includes amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance are made by the CRA's executive director based upon direction by the CRA's Board of Commissioners or in the CRA's annual budget. The CRA had no assigned fund balance.

Unassigned - Unassigned fund balance includes amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. The CRA has no unassigned fund balance.

The CRA considers restricted fund balance to be spent first when an expenditure is incurred for the restricted purpose. The CRA considers committed, assigned or unassigned fund balances to be spent when an expenditure is incurred for purposes for which amounts in any of those fund balance classifications could be used.

MINIMUM FUND BALANCE POLICY

The CRA has not adopted a formal minimum fund balance policy. Generally, the CRA will strive to maintain sufficient general fund balance to provide liquidity in the event of a budget shortfall or natural disaster, once its advance from the Town is repaid.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, and deferred inflows/outflows and the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were used.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IMPLEMENTATION OF GASB STATEMENTS

The CRA considered the new accounting standards which effective dates are applicable for the fiscal year ended September 30, 2023. The implementation of GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*, did not have a significant impact on the CRA's financial statements.

NOTE 3 - CASH

Cash at September 30, 2023, consists of deposits with a financial institution with a bank balance and book balance of \$4,051,160. The bank deposits were entirely covered by federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions that comply with the requirements of Florida Statutes and have been designated as a Qualified Public Depository by the State Treasurer. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, the amount of public funds would be covered by 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. Accordingly, the CRA's deposits are considered fully insured or collateralized in accordance with the provisions of GASB Statements.

NOTE 4 - NOTE RECEIVABLE

During 2013, the CRA closed on the sale of a parcel of land to a private owner and received a note receivable for a portion of the sales price. The note is non-interest bearing and is due in 177 monthly installments of \$800 until fully paid. In lieu of cash payments on the note, the CRA and the private owner agreed that the owner shall pay all ongoing costs associated with the operation and maintenance of a public restroom facility located on the property sold by the CRA and the owner will receive a monthly credit of \$800 against the promissory note. The note receivable balance was \$45,287 at September 30, 2023.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 5 - ADVANCE DUE TO THE TOWN OF JUPITER

The Town’s General Fund and Capital Improvements Fund have advanced \$7,633,899 to the CRA for the purchase of property and the completion of public improvements within the boundaries of the CRA. The Town and the CRA have entered into an interlocal agreement for the repayment of these advances, with interest at 3.0%, through the fiscal year ending September 30, 2027. Annual repayments of the advances, including interest, range from approximately \$878,000 in 2024 to \$1.1 million in 2026, with a final payment of \$524,000 due in 2027, and the payments generally increase each year commensurate with the expected increases in the CRA’s tax increment revenues resulting from the redevelopment activities. The outstanding combined advances payable to the General Fund and Capital Improvements Fund totaled \$3,244,204 at September 30, 2023. Future principal payments on this advance are expected to be as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2024	\$ 786,941	\$ 91,326	\$ 878,267
2025	892,549	67,718	960,267
2026	1,055,816	39,267	1,095,083
2027	<u>508,898</u>	<u>15,267</u>	<u>524,165</u>
Total	<u>\$3,244,204</u>	<u>\$ 213,578</u>	<u>\$3,457,782</u>

Interest paid to the Town’s General Fund and the Capital Improvement Fund during the fiscal year ended September 30, 2023 totaled \$111,771.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 6 - CAPITAL ASSETS

The capital asset activity for the fiscal year ended September 30, 2023, was as follows:

	Balance at Beginning of Year	Increases	Decreases	Balance at End of Year
Capital Assets, not being depreciated				
Land	\$ 5,218,551	\$ --	\$ --	\$ 5,218,551
Capital Assets, being depreciated				
Improvements other than buildings	2,146,561	--	--	2,146,561
Infrastructure	1,051,763	155,835	--	1,207,598
Total Depreciable Capital Assets	3,198,324	155,835	--	3,354,159
Less accumulated depreciation:				
Improvements other than buildings	(543,977)	(60,189)	--	(604,166)
Infrastructure	(132,472)	(45,187)	--	(177,659)
Total accumulated depreciation	(676,449)	(105,376)	--	(781,825)
Depreciable Capital Assets, Net of Accumulated Depreciation	2,521,875	50,459	--	2,572,334
Total Capital Assets	\$ 7,740,426	\$ 50,459	\$ --	\$ 7,790,885

Depreciation expense of \$105,376 was charged to general government in the governmental activities statement of activities.

NOTE 7 - NONCURRENT LIABILITY

The change in the noncurrent liability for the fiscal year ended September 30, 2023, is as follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year	Amounts Due Within One Year
Tax increment incentive	\$ 856,147	\$ --	\$ (856,147)	\$ --	\$ --

The Town paid \$560,657 in full settlement of the tax increment incentive liability to Harbourside in fiscal year 2023.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 8 - RELATED PARTY TRANSACTIONS

For the fiscal year ended September 30, 2023, the CRA paid the Town \$749,996 for contractual and other services provided by the Town to the CRA in connection with various administrative and redevelopment activities.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

RISK MANAGEMENT

The CRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The CRA purchases commercial insurance through the Town for the risks of losses to which it is exposed. Policy limits and deductibles are reviewed annually by management and established at amounts to provide reasonable protection from significant financial loss. Settlements have not exceeded insurance coverage for any of the prior three fiscal years.

HARBOURSIDE TAX INCREMENT INCENTIVE AGREEMENT

The Harbourside Development (“Harbourside”) is a project completed in 2014 and located on approximately 10 acres of waterfront property along the Intracoastal Waterway within the boundaries of the CRA. Pursuant to State statutory authority for public-private partnerships to rehabilitate and develop properties within a Community Development Area, the CRA entered into a tax incentive agreement with the Harbourside developer to provide a rebate of the tax increment funds received by the CRA in future years equal to 50% of the tax increment revenue from the economic development of the Harbourside property, up to \$350,000 annually, for a period of 15 years following completion. The Town paid \$560,657 in full settlement of the rebate liability to Harbourside in fiscal year 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts (GAAP Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,756,979	\$ 2,756,979	\$ 2,748,541	\$ (8,438)
Charges for services	91,415	91,415	101,951	10,536
Investment earnings	1,000	1,000	33,251	32,251
Miscellaneous revenue	--	--	143,853	143,853
Total Revenues	<u>2,849,394</u>	<u>2,849,394</u>	<u>3,027,596</u>	<u>178,202</u>
Expenditures				
General government	1,738,127	2,973,568	1,078,716	1,894,852
Capital outlay	318,000	1,647,594	155,835	1,491,759
Interest and fiscal charges	111,771	111,771	111,771	--
Total Expenditures	<u>2,167,898</u>	<u>4,732,933</u>	<u>1,346,322</u>	<u>3,386,611</u>
Excess (Deficiency) of Revenues over Expenditures	<u>681,496</u>	<u>(1,883,539)</u>	<u>1,681,274</u>	<u>(3,208,409)</u>
Other financing sources/(uses)				
Appropriated fund balance	<u>(681,496)</u>	<u>1,883,539</u>	<u>--</u>	<u>1,883,539</u>
Total Other Financing Sources/(Uses)	<u>(681,496)</u>	<u>1,883,539</u>	<u>--</u>	<u>1,202,043</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	1,681,274	<u>\$ 1,681,274</u>
Fund Balance (Deficit) - Beginning			<u>(1,144,497)</u>	
Fund Balance - Ending			<u>\$ 536,777</u>	

See notes to required supplementary information.

JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – BUDGETARY ACCOUNTING

The CRA’s adopted General Fund budget is prepared on the modified accrual basis of accounting in accordance with U.S. generally accepted accounting principles (“GAAP”). The budget represents departmental appropriations as authorized by CRA ordinance. Expenditures may not legally exceed budgeted appropriations at the fund level. The Town Manager, acting in his capacity as Executive Director of the CRA, has the authority to approve all budget transfers within a department. Budget transfers between departments and transfers involving appropriation of additional revenues require the approval of the Board of the CRA. Accordingly, the CRA’s legal level of budgetary control is at the fund level. Currently, other financing sources (appropriated fund balance) represent expected Transfers In from the Town to the CRA.

For the fiscal year ended September 30, 2023, supplemental budget appropriations of \$2,565,035 were approved by the CRA Board during the fiscal year. Total expenditures may not legally exceed total fund appropriations including any budgeted fund balance from prior years. All annual appropriations lapse at year end. The budget amounts presented reflect the original budget and the amended budget based on legally authorized revisions to the original budget during the year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary control. Encumbrances lapse at year end and become obligations of the subsequent year’s budget. At September 30, 2023, the CRA had commitments related to unperformed contracts, which have been re-appropriated in the 2023-2024 annual budget.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule for the CRA is prepared under the GAAP basis of accounting used in preparing the appropriated budget. As a result, the revenue and expenditures reported in the budgetary comparison schedule for the CRA agree with that reported on the GAAP basis.

REPORTING SECTION

**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***

To the Board of Commissioners and Executive Director
Jupiter Community Redevelopment Agency
Town of Jupiter, 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 *Governmental Auditing Standards* issued by the Comptroller General of the United States (*Governmental Auditing Standards*), the financial statements of the governmental activities and the major fund of the Jupiter Community Redevelopment Agency (the "Agency"), a component unit of the Town of Jupiter, Florida, as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, and have issued our report thereon dated March 28, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

West Palm Beach, Florida
March 28, 2024

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF
THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Commissioners and Executive Director
Jupiter Community Redevelopment Agency
Town of Jupiter, Florida

Report on the Financial Statements

We have audited the financial statements of the Jupiter Community Redevelopment Agency (the “Agency”), a component unit of the Town of Jupiter, Florida, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 28, 2024.

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 Auditor General.

Other Reporting Requirements

We have issued our 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*; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 28, 2024, 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. This information is disclosed 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 Agency 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 Agency 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 Agency. It is management's responsibility to monitor the Agency'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. Our assessment was performed as of the fiscal year end.

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 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.

Specific Information for Special Districts

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

- a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as zero.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as zero.
- 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 nonemployee 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 Agency that is scheduled to begin on or after October 1 of the fiscal year being reported, together with total expenditures for such project as follows:
 - a. Riverwalk Connection Project, Budget of \$145,000 and actual expenditures of \$0.
 - b. Jupiter Beach Road Project, Budget of \$1,171,548 and actual expenditures of \$173,316.
 - c. Love Street Sidewalk Project, Budget of \$123,000 and actual expenditures of \$0.
 - d. Shoreline Stabilization Project, Budget of \$174,481 and actual expenditures of \$100.
 - e. Gravity Wall Repair Project, Budget of \$102,000 and actual expenditures of \$8,100.

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes, if any, would be reported on page 26.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but 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, the Agency Board of Commissioners, Executive Director and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

West Palm Beach, Florida
March 28, 2024

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
FLORIDA STATUTES**

To the Board of Commissioners and Executive Director
Jupiter Community Redevelopment Agency
Town of Jupiter, Florida

We have examined the Jupiter Community Redevelopment Agency (the "Agency"), a component unit of the Town of Jupiter, Florida, compliance with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2023. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency'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 Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency 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 examination engagement.

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

In our opinion, the Agency complied, in all material respects, with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2023.

This report is intended solely to describe our testing of compliance with aforementioned sections of the Florida Statutes, and it is not suitable for any other purpose.

Marcum LLP

West Palm Beach, FL
March 28, 2024

March 28, 2024

To the Board of Commissioners and Executive Director
Jupiter Community Redevelopment Agency
Jupiter, Florida

We have audited the financial statements of the governmental activities and the major fund of Jupiter Community Redevelopment Agency (the “CRA”), a component unit of the Town of Jupiter as of and for the fiscal year ended September 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and Chapter 10.550, Rules of the Auditor General, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 20, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the CRA are described in Note 2 – Summary of Significant Accounting Policies to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year ended September 30, 2023. We noted no transactions entered into by the CRA during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the CRA’s financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of related to commitments and contingencies in Note 9 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Independence

For the fiscal year ended September 30, 2023, we were engaged to provide nonaudit/nonattest services mainly related to assistance with the preparation of the CRA's financial services. We reviewed the nature of the requested work, our role and management's role and determined that our independence would not be impaired, in fact or appearance.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements noted during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 28, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the CRA's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the CRA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and the budgetary comparison schedule and related notes, which are required supplementary information (RSI) that supplement the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Honorable Mayor, CRA Board of Commissions, Executive Director and management of the CRA and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Marcum LLP

Marcum LLP