



# AGENDA

## Community Redevelopment Agency Meeting

5:00 PM – Thursday, April 17, 2025 – City Hall

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### Call to Order

### Acknowledgement of Quorum and Proper Notice

#### 1. Approval of Minutes

##### 1.1 Approval of Minutes

March 6, 2025 CRA Meeting

#### 2. CRA Item with Board Discussion and Direction

##### 2.1 Acceptance of the Eustis Downtown and East Town Redevelopment Agency Financial Statements and Independent Auditor's report for the fiscal year ending September 30, 2024

#### 3. Adjournment

This Agenda is provided to the Commission only as a guide, and in no way limits their consideration to the items contained hereon. The Commission has the sole right to determine those items they will discuss, consider, act upon, or fail to act upon. Changes or amendments to this Agenda may occur at any time prior to, or during the scheduled meeting. It is recommended that if you have an interest in the meeting, you make every attempt to attend the meeting. This Agenda is provided only as a courtesy, and such provision in no way infers or conveys that the Agenda appearing here is, or will be the Agenda considered at the meeting.

If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she 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 (Florida Statutes, 286.0105). In accordance with the Americans with Disabilities Act of 1990, persons needing a special accommodation to participate in this proceeding should contact the City Clerk 48 hours prior to any meeting so arrangements can be made. Telephone (352) 483-5430 for assistance.



# City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

TO: COMMUNITY REDEVELOPMENT AGENCY (CRA)

FROM: Tom Carrino, City Manager

DATE: April 17, 2025

RE: Approval of Minutes

March 6, 2025 CRA Meeting

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**Introduction:**

This item is for consideration of the minutes of the March 6, 2025 CRA Meeting.

**Recommended Action:**

Approval of the minutes as submitted.

**Prepared By:**

Mary Montez, Deputy City Clerk

**Reviewed By:**

Christine Halloran, City Clerk



# MINUTES

## Community Redevelopment Agency Meeting

5:30 PM – Thursday, March 06, 2025 – City Hall

**Call to Order: 5:36 P.M.**

### Acknowledgement of Quorum and Proper Notice

PRESENT: Mr. George Asbate, Mr. Michael Holland, Vice Chair Gary Ashcraft, Chairman Willie Hawkins

ABSENT: Ms. Emily Lee

### 1. Approval of Minutes

#### 1.1 Approval of Minutes

January 16, 2025 CRA Meeting

Motion made by Mr. Holland, Seconded by Vice Chair Ashcraft, to approve the Minutes. Motion passed on the following vote:

Voting Yea: Mr. Holland, Chair Hawkins, Vice Chair Ashcraft, Mr. Asbate

### 2. CRA Item with Board Discussion and Direction

#### 2.1 Recommendation for City Commission Adoption of the Downtown Master Plan Developed by MIG, Inc.

Al Latimer, Economic Development Director, reviewed the history of the downtown master plan and the current status. He indicated it was originally expected to take nine months to complete; however, it took 18 months due to scheduling conflicts, illnesses, and weather-related events. He stated that, if approved, the plan will guide the future development and redevelopment of the downtown area. He added that there are two special notes to be considered as follows: 1) Throughout the implementation phase, community input will continue to help align projects with the goals and values of the citizens of Eustis; and 2) The Master Plan will be amended into the CRA Redevelopment Plan because otherwise CRA funds cannot be utilized for development and redevelopment activities. He stated staff's recommendation for transmittal to the Commission for consideration.

The Board confirmed that the plan was supposed to be completed within nine months with Mr. Latimer stating it officially got underway July 8, 2022, with the final presentation provided to the Commission in November 2024. Discussion was held regarding the length of time it took to complete.

Mr. Asbate stated he has quite a few concerns. He cited areas in which the plan does not meet with the direction of the Commission including the following: 1) Hire a consultant for the master plan who would provide experience in land development, economic development, master planning, land use, local government, and familiarity

with the county. He stated they ended up instead with a commercial real estate consultant. He expressed concern regarding the process used and the need for it to be more transparent. He stated he was not allowed to be part of the review process or to be present as was someone else who wanted to be there. He commented that the elected officials should have participated in the selection process to question the respondents, to see the rating system, and to see the rankings. He expressed the opinion that the process failed the board.

Mr. Asbate further stated that the Board gave direction to hire a consultant with the expertise he cited, and it is too soon to have a realtor. He added that the biggest thing is that they agreed they would have another workshop and would have an opportunity to ask questions. He expressed concern regarding having the discussion without Emily Lee being present. He stated there are four goals one of which involved infrastructure, budgeting, and public safety. He added that the Board needs to be a part of that.

Mr. Asbate expressed support for holding another workshop and the need for them being part of the selection process.

Chairman Hawkins responded that he met with the firm and asked about their prior experience. He stated the Commission does not have the time to interview five firms. He stated that's why they hire staff, and they have to allow them to do their job. He indicated support for the Commission interviewing the top two consultant applicants.

Mr. Ashcraft stated the interviews are the staff's job and commented on the amount of time spent in getting the master plan done. He indicated that the Commissioners, residents and stakeholders were all involved in creation of the plan. He commented that it is a living document that can be changed. He expressed support for transmitting to the Commission for consideration.

Mr. Holland commented that they pay professional staff to do their job. He indicated he might have liked to interview the top two but at this point they need to move forward. He emphasized that government is moving too slowly.

Mr. Asbate stated they previously agreed to hold a workshop to review the plan. He again expressed support for waiting to allow Ms. Lee to provide input. He stated that the process was not transparent. He indicated that the Commissioners are responsible and stated they should have gotten professional help in selecting the consultant. He added there is an agreement with the realtor they hired that the Commission has not seen. He expressed concern regarding having staff members reviewing the proposals and vetting the applications when they are sitting in a room with their boss. He emphasized they want independent, experienced people thinking. He emphasized the need to having the workshop, going over the master plan and reviewing the proposals. He stated that he does not have faith in the process. He commented on their financial obligation to the community to understand that part of the proposals. He emphasized the need for more transparency.

Mr. Ashcraft asked what the criteria was for the selection.

Tom Carrino, City Manager, explained the process used is laid out in the City Charter and Code of Ordinances which is used regularly for purchasing and procurement. He reviewed the process used for issuance of the RFQ (Request for Qualifications) and how it was advertised. He stated five responses were received and a staff selection committee was then selected and they reviewed the five responses at a public

meeting. He stated the committee consisted of himself, Miranda Burrowes, Rick C Mike Lane and Al Latimer and was facilitated by Purchasing Director Tracy Jeanes. He indicated it was conducted in a public meeting where they discussed their comments and arrived at a unanimous selection for number one - Goman and York. He stated their notes and scoring are all publicly available.

Mr. Carrino explained the ranking process and stated there was a unanimous number one. He stated it was close between two and three but they weren't close to the number one candidate. He stated that Levy Group was number two. He noted that it was actually a partnership between Levy, GAI and Community Solutions. He added that number three was RMA.

Mr. Asbate asked what the concern was with that partnership with Mr. Carrino explaining that they had to consider that it was a partnership so they weren't evaluating Mr. Levy but also GAI and Community Solutions. Mr. Asbate asked if he was concerned that one or the other was actually involved. He stated that Mr. Carrino had said that Dr. Levy was not really going to be involved but was named on there and in the background. He asked what that meant.

Mr. Carrino responded that in reviewing the Levy, GAI, Community Solutions Group proposal it was unclear who would be assigned what responsibilities. He stated that because of the complexity of the details and technical information included in the proposals, this is the process that is used. He commented that staff has a certain level of expertise to review the very complicated and technical documents and that is what was done in this case. He emphasized that the committee members unanimously agreed on the number one respondent.

Mr. Asbate stated that Mr. Carrino indicated it was unclear what Levy's role would be and asked if anyone else looked at that proposal, they would be unclear as to Levy's role.

Mr. Carrino clarified that it was difficult for the selection committee to determine which group would be performing what function. He gave as an example that they were required to submit resumes and experience for the participants including examples of their previous work. He stated there was a lot of information to go through and difficult to ascertain who had done work on projects most similar to the Eustis project. He pointed out that he had several conversations with Richard Levy both before the process and after the process. He noted that Mr. Levy is a former chief administrator officer and planning professional with the City of Orlando so he is very knowledgeable of the procurements processes. He stated that Mr. Levy understood the City's position.

Mr. Asbate asked if they did not see in the proposal that Mr. Levy would be the project director in charge with "an army staff" of GIA. He questioned that they did not see that Mr. Levy would be the project director. He further commented on public information he obtained regarding Mr. Levy's qualifications.

Mr. Ashcraft asked if Mr. Asbate had an affiliation with that group which Mr. Asbate denied stating he was fighting for transparency.

Mr. Ashcraft stated this is the same process used for all of the City's RFQ's.

Chairman Hawkins asked Mr. Carrino if, prior to the meeting, he had told any of the other committee members who he wanted to choose with Mr. Carrino responding negatively. Chairman Hawkins commented on his experience sitting on a selection committee for the Lake County School Board. He indicated that, despite the

committee's lack of expertise, the School Board accepted their recommendation. emphasized that the City has a process that it has used for years and it has never been questioned. He asked if there is a relationship between GAI and either of the developers.

Mr. Carrino responded there is a relationship between G3 and GAI with Chairman Hawkins expressing concern regarding that.

Mr. Asbate stated that relationship means they have worked together not that they have a financial relationship. He stated his belief that they had actually been on conflicting sides.

Chairman Hawkins asked if there is a relationship between GAI and Dr. Levy and G3 in an organization that moved from Eustis to Mount Dora with Mr. Carrino responding affirmatively they were involved in a business relocation previously.

Further discussion was held regarding the selection process with Mr. Ashcraft noting there is a difference between the master plan and the hiring of the consultant.

Mr. Asbate stated his concern is regarding the process. He asked to have a workshop and discuss the process.

Further discussion was held regarding holding a workshop with Chairman Hawkins asking Mr. Carrino to explain why he selected Goman and York as number one.

Mr. Carrino responded that they have a lot of expensive experience in similar projects and cited their experience in a lot of different fields including redevelopment, finance, review of financials and pro formas, planning, data analysis and familiarity with the local community.

Mr. Asbate stated that their website and public information is contrary to what was said. He asked to table consideration, do a workshop and bring it back.

Mr. Holland asked to call the question.

Mr. Ashcraft moved to recommend adoption to the Commission.

Discussion was held regarding creating an adversarial situation between the Board and the City Manager with Mr. Asbate stating it is not adversarial and emphasizing he wants to be transparent.

Mr. Asbate asked about the dynamics in the relationship between Mr. Goman and Mr. Carrino.

Mr. Carrino indicated he has known Mr. Goman for a few years. He stated they met when Mr. Goman purchased a home in Eustis and introduced himself. He indicated they have had lunch several times over the past several years. He indicated there has not been a financial or business relationship with Mr. Goman.

Mr. Asbate asked if Mr. Carrino has advocated for Mr. Goman for him to get business with Mr. Carrino responding negatively.

Mr. Asbate asked again to have a workshop before deciding and interview the first two proposals.

Attorney Garcia noted the need to take a straw poll before making a motion.

Discussion was held regarding transparency with Vice Chair Ashcraft indicating that everything they do is transparent. Mr. Asbate questioned why the Board/Commission were not furnished the scoring for the proposals with Vice Chair Ashcraft responding because that's not their job. Their job is to direct the City Manager to do his job.

Mr. Carrino indicated that the process used is the same process by which the City recently selected a number of continuing services agreements including for engineers, surveys and environmental consultants. It is the process used to procure professional services.

Chairman Hawkins asked if Mr. Carrino has a relationship with Dr. Levy with Mr. Carrino responding he interned for him in the past with the City of Orlando but does not have a close relationship with him.

Mr. Asbate asked if Mr. Carrino had introduced him to Mr. Goman several years prior with Mr. Carrino responding affirmatively. Mr. Asbate asked if Mr. Carrino also asked Mr. Asbate if Mr. Goman could help him with anything in his business as Mr. Goman is an experienced realtor, broker, retired from Connecticut and asked Mr. Asbate to meet with Mr. Goman.

Mr. Carrino responded negatively and stated that his recollection was that they were having lunch in the same restaurant, and Mr. Goman came over to introduce himself.

Mr. Asbate asked if Mr. Carrino was aware that Mr. Goman emailed him on multiple occasions after that, asking to meet with him and copying the City. Mr. Carrino indicated he had no recollection of that.

Mr. Asbate presented copies of emails to the Deputy City Clerk.

Chairman Hawkins ceased Board discussion at that time and opened the public hearing.

Public hearing was opened at 6:23 p.m.

Pam Rivas expressed support for a more transparent process. She commented on what occurred at a Commission meeting with direction to hire a consultant to help the Commission so they should have had input on the selection. She stated that should be part of the process.

Attorney Garcia clarified that the procurement process is outlined in the Charter and in state statute. She indicated that it was done in a public hearing and was noticed as such. It was posted and the candidates were notified. She stated that the City has used the process and then brought before the Commission, if applicable. She noted that not all contracts go before the Commission and that is based on the amount. She explained that she reviewed the RFQ for this contract due to the nuances with G3C2 and noted there is a provision that allows the City to terminate the contract at will. They just have to provide notice within 15 days. She emphasized that the process is consistent with Florida statute and nothing was conducted privately.

Vice Chair Ashcraft confirmed that they can be dismissed after a 15-day notice.

Mr. Asbate questioned if they can modify the master plan once ratified with Attorney Garcia responding the master plan be changed if necessary. She explained that the funds can't be transferred until the master plan is adopted.

Mr. Asbate stated he asked to attend that meeting and was not allowed with Mr. C stating that the ask was to be on the committee and that was not appropriate. He also stated that Ms. Rivas also asked to be on the committee. Mr. Asbate emphasized that was not the case.

Daniel DiVenanzo commented on the history with the downtown properties and emphasized that the project could be as high as a \$70 million deal. He indicated he could not find the draft agreement online. He stated he would want to make sure the consultant is not being hired to negotiate the purchase agreement (of the downtown properties) before the Board has seen anything. He emphasized this is the biggest deal that the City will face for decades. He commented on the previous deal for development of the downtown property and how it ended. He emphasized the need to have a plan in front of them before agreeing to sell the property.

Kevin Jenness, Peddler's Wagon, commented it is not bad for it to move slowly and expressed support for the three lots to be developed individually rather than in one project. He cited various issues surrounding the project including private or public parking, deliveries, etc. as well as how the lots are currently being used by the public. He encouraged them to not rush the decision but to make sure they get it right.

There being no further public comment, the hearing was closed at 6:40 p.m.

Attorney Garcia explained the need for a straw poll due to there only being four members present. She asked if there was support for tabling the issue with Chairman Hawkins suggesting it be postponed to the next meeting to allow Emily Lee to speak on the issue.

The straw poll showed two members in support of postponement (Asbate and Hawkins) and two against (Ashcraft and Holland).

Mr. Asbate moved to table consideration of Item 2.1 until they have a workshop to review the respondents. Motion died for lack of a second.

Mr. Holland confirmed any vote is strictly to recommend that it be transmitted to the Commission at a future meeting.

Motion made by Mr. Holland, Seconded by Vice Chair Ashcraft, to recommend to the City Commission consideration of the master plan. Motion passed on the following vote:

Voting Yea: Mr. Holland, Chair Hawkins, Vice Chair Ashcraft

Voting Nay: Mr. Asbate

## 2.2 CRA Resolution Number 25-01: Budget Transfer to Fund Development and Redevelopment Real Estate Consultant

Mr. Asbate asked if there was interest in postponing consideration of the resolution. It was agreed to proceed with consideration of CRA Resolution 25-01.

Mr. Latimer explained that staff estimates that the cost for the remainder of the year for the consultant would be \$80,000 with \$15,000 already being in the budget. He stated staff is asking to amend the budget to transfer \$65,000 from the CRA Reserves.

Vice Chair Ashcraft confirmed that the contract allows the City to cancel the contract with 15 days' notice.



Mr. Asbate asked to receive a copy of the contract with Goman with Mr. Carrino indicating he would provide that.

Chairman Hawkins commented that this is the same process the City has used for years and expressed concern that comments have been made that make it appear what the City is doing is underhanded.

Mr. Asbate emphasized that he is concerned about transparency and that his comments are true and accurate. He reiterated his desire for a workshop.

Discussion was held regarding the comments made during the previous item.

Attorney Garcia confirmed that the budget amendment is to provide funding but not specifically to Goman.

Mr. Carrino explained that they have begun meeting with Commissioners and G3C2 but nothing has been paid. He stated that Professional Services is already in the budget \$15,000; however, that is not sufficient; therefore, staff is asking to transfer another \$65,000 to fund to the end of the year.

The public hearing was opened at 6:54 p.m. There being no public comment, the hearing was closed at 6:54 p.m.

Motion made by Mr. Holland, Seconded by Vice Chair Ashcraft, to approve CRA Resolution Number 25-01. Motion passed on the following vote:

Voting Yea: Mr. Holland, Chair Hawkins, Vice Chair Ashcraft

Voting Nay: Mr. Asbate

Mr. Holland asked the board members to pay attention to the state legislature. He explained they are talking about limiting and eliminating the CRA's. He stated they have people in Tallahassee working on their behalf along with the League of Cities.

### **3. Adjournment: 6:56 P.M.**

*\*These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to [www.eustis.org](http://www.eustis.org) and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording of the meeting can be obtained from the office of the City Clerk for a fee.*

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CHRISTINE HALLORAN  
City Clerk

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WILLIE HAWKINS  
Mayor/Commissioner



# City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

TO: EUSTIS CRA BOARD

FROM: TOM CARRINO, CITY MANAGER

DATE: APRIL 17, 2025

RE: ACCEPTANCE OF THE EUSTIS DOWNTOWN AND EAST TOWN  
REDEVELOPMENT AGENCY FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT FOR THE FISCAL YEAR ENDING  
SEPTEMBER 30, 2024

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**Introduction:**

Representatives from the City's audit firm, Purvis, Gray and Co., will be available for any questions regarding the Financial Statements and Independent Auditor's Report for the Eustis Downtown and East Town Redevelopment Agency for the fiscal year ending September 30, 2024.

**Recommended action:**

Acceptance and approval of the Eustis Downtown and East Town Redevelopment Agency Financial Statements for the period ending September 30, 2024.

**Attachment:**

- Financial Statements and Independent Auditor's Report for the Eustis Downtown and East Town Redevelopment Agency for the fiscal year ending September 30, 2024.

**Prepared by:**

Lori Carr, Finance Director

# PURVIS GRAY

## COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

The Eustis City Commission  
Eustis Community Redevelopment Agency  
Eustis, Florida

We have audited the financial statements of the governmental activities and the major fund of the Eustis Community Redevelopment Agency (the CRA), a component unit of the City of Eustis, Florida (the City), for the year ended September 30, 2024. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, 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 May 23, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Matters**

#### **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 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2024. We noted no transactions entered into by the CRA during the 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. No significant accounting estimates were noted during our audit.

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

#### **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. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

## CERTIFIED PUBLIC ACCOUNTANTS

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The Eustis City Commission  
Eustis Community Redevelopment Agency  
Eustis, Florida

**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 auditor's 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 April 10, 2025.

**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 auditor's 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 on the required supplementary information (RSI) that supplements the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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 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*

April 10, 2025  
Ocala, Florida

# 2024

Eustis Downtown and East Town  
Redevelopment Agency

Financial Statements and  
Independent Auditor's Report

September 30, 2024

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**EUSTIS DOWNTOWN AND  
EAST TOWN REDEVELOPMENT AGENCY  
EUSTIS, FLORIDA**

**SEPTEMBER 30, 2024**

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## INDEPENDENT AUDITOR'S REPORT

The Eustis City Commission  
Eustis Downtown and East Town Redevelopment Agency  
Eustis, Florida

### Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Eustis Downtown and East Town Redevelopment Agency (the CRA), a component unit of the City of Eustis, Florida (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's 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, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

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

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

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The Eustis City Commission  
 Eustis Downtown and East Town Redevelopment Agency  
 Eustis, 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 the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our



The Eustis City Commission  
Eustis Downtown and East Town Redevelopment Agency  
Eustis, Florida

### INDEPENDENT AUDITOR'S REPORT

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 April 10, 2025, 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 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 City's internal control over financial reporting and compliance.

*Purvis Gray*

April 10, 2025  
Ocala, Florida

**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
CITY OF EUSTIS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024**

This supplement to the Independent Auditor's Report and Financial Statements has been developed in accordance with the Government Accounting Standards Board (GASB) Statement No. 34. It is intended to provide the readers of this report with a general overview of the financial activities of the Eustis Downtown and East Town Redevelopment Agency (the CRA). The CRA provides the following discussion and analysis of the CRA's financial activities for the fiscal year ended September 30, 2024. Management's Discussion and Analysis is designed to: (a) assist the reader to focus on significant financial issues, (b) provide an overview of the CRA's financial activities, (c) identify changes in the CRA's financial position, (d) identify material deviations from the financial plan, and (e) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

### **The CRA**

The CRA was created under Chapter 163, Florida Statutes and Ordinance No. 90-42 of the City of Eustis, Florida (the City). The Governing Board of the CRA (the Board) is appointed by the City Council and, therefore, the City exercises significant influence over its operations and fiscal management. The CRA is considered a component unit for financial reporting purposes and is included as a blended special revenue fund within the City's overall basic financial statements.

These financial statements are presented for the purpose of complying with state law, specifically Florida Statute Section 163.387(8)(a), which requires separate audited financial statements for each community redevelopment agency that has revenues or expenditures that exceed \$100,000.

### **Financial Highlights**

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$3,604,128 (Net Position).
- The CRA's fund balance increased by \$679,135 as a result of 2024 operations.
- Revenues for fiscal year 2024 were \$742,326 while expenditures totaled \$847,690. Contributions from the City's General Fund totaled \$784,499.
- For the period ended September 30, 2024, actual revenues exceeded budgeted revenues by \$48,928 while actual expenditures were \$1,925,140 less than budgeted expenditures.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements, which are comprised of the following four (4) components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements
- Required Supplementary Information

### **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.

**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
CITY OF EUSTIS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024**

The *Statement of Net Position* presents financial information on all of the CRA's assets and liabilities, with the difference 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 flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements listed above distinguish functions of the CRA that are principally supported by ad-valorem taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activity of the CRA is community redevelopment.

The government-wide financial statements include only the activities of the CRA. However, the CRA is considered a blended component unit of the City and, as such, the financial information of the CRA is included in the City's Annual Comprehensive Financial Report for each fiscal year.

### **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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **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, 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 the CRA'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 Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

### **Restricted Fund Balance**

*Fund Balance* should be reported as Restricted when constraints placed on the use of resources, such as enabling legislation, which authorizes the government to access, levy, charge, or otherwise mandate payment of resources. All of the CRA's fund balance is considered Restricted.

**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
CITY OF EUSTIS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024**

**Notes to Financial Statements**

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information (RSI)**

Included in this section of the report is the Budgetary Comparison Schedule.

**Government-Wide Financial Analysis**

*Statement of Net Position*

As noted earlier, net position may serve over time as a useful indicator of the CRA's financial position. In the case of the CRA, assets exceeded liabilities by \$4,072,867 (*net position*) as of the close of the most recent fiscal year, an increase of \$801,337 in comparison with the prior year.

The following table reflects a summary of the *Statement of Net Position* for the current and prior year:

<b>Eustis Downtown and East Town Redevelopment Agency</b>		
	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 3,551,151	\$ 2,936,938
Accrued Interest Receivable	83,455	8,957
Prepaid Items	326	326
Land	3,000,000	3,000,000
<b>Total Assets</b>	<b>6,634,932</b>	<b>5,946,221</b>
<b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
Current:		
Accounts Payable and Accrued Liabilities	30,804	21,228
Due Within One Year	2,531,261	123,549
Non-Current:		
Due in More Than One Year	-	2,529,913
<b>Total Liabilities</b>	<b>2,562,065</b>	<b>2,674,690</b>
<b>Net Position</b>		
Net Investment in Capital Assets	468,739	346,538
Restricted	3,604,128	2,924,993
<b>Total Net Position</b>	<b>\$ 4,072,867</b>	<b>\$ 3,271,531</b>

**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
CITY OF EUSTIS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024**

*Statement of Activities*

The following table reflects the *Statement of Activities* for the current and prior year:

<b>Eustis Downtown and East Town Redevelopment Agency</b>		
	<b>2024</b>	<b>2023</b>
<b>Revenues</b>		
TIF Revenue from the County	\$ 593,529	\$ 461,736
TIF Revenue from the City	784,499	610,882
Miscellaneous:		
Interest	148,797	85,380
<b>Total Revenues</b>	<u>1,526,825</u>	<u>1,157,998</u>
<b>Expenditures</b>		
Current:		
General Government	411,238	260,511
District Rehabilitation and Beautification	130,572	62,367
Housing Rehabilitation	64,416	22,356
Debt Service - Interest	75,948	79,264
Capital Outlay Contributed to Primary Government	43,315	44,618
<b>Total Expenditures</b>	<u>725,489</u>	<u>469,116</u>
<b>Net Change in Net Position</b>	801,336	688,882
<b>Net Position, Beginning of Year</b>	<u>3,271,531</u>	<u>2,582,648</u>
<b>Net Position, End of Year</b>	<u><u>\$ 4,072,867</u></u>	<u><u>\$ 3,271,530</u></u>

There was an increase in tax increment financing revenues in the current year due to an increase in property values within the CRA district. There was an increase in the expenditures due to spending on rehabilitation and beautification within the district. This contributed to an increase in net position.

**Financial Analysis of the CRA's Funds**

***Governmental Funds***

The focus of the CRA's *governmental funds* 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* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The CRA's fund balance includes \$3,603,802, restricted for redevelopment projects within the CRA district.

Tax increment financing revenue totaling \$1,378,028 represented approximately 90% of all revenues. The CRA's fund balance increased by \$679,135 in the current year. The increase in tax increment financing revenues received by the CRA in the current year, resulted from increased property values within the CRA district.

**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
CITY OF EUSTIS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024**

### **Capital Assets and Debt Administration**

#### Capital Assets

The CRA's capital assets are considered to be property of the City and, therefore, are included as capital assets in the City's government-wide financial statements. Capital asset activity for the year ended September 30, 2024, can be found in the City's audited financial statements.

#### Long-Term Debt

The CRA's long-term debt obligation decreased by \$122,201, which is attributed to the payment on the debt obligation. Additional information on the CRA's debt can be found in Note 5.

	<b>10/1/2023</b>			<b>9/30/2024</b>
	<b>Balance</b>	<b>Additions</b>	<b>Payments</b>	<b>Balance</b>
<b>Governmental Activities</b>				
Loan Payable - 2021	\$ 2,653,462	\$ -	\$ (122,201)	\$ 2,531,261
	<u>\$ 2,653,462</u>	<u>\$ -</u>	<u>\$ (122,201)</u>	<u>\$ 2,531,261</u>

### **Budgetary Highlights**

An annual budget is prepared for the CRA and approved by City Commission (the Commission). The legal level of control is maintained at the fund level. Budget appropriations may not be legally exceeded on a fund basis. The budget is adopted on a basis consistent with generally accepted accounting principles.

### **Economic Factors and Future Developments**

The CRA will continue to plan projects and infrastructure improvements that align with its redevelopment priorities for the designated District. The CRA will continue to implement the community's shared development goals through its redevelopment strategies and critical tasks.

### **Request for Information**

This financial information is designed to present users with a general overview of the CRA's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Eustis Downtown and East Town Redevelopment Agency located at P.O. Drawer 68, Eustis, Florida 32727.

## FINANCIAL STATEMENTS

**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY**  
**STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET**  
**SEPTEMBER 30, 2024**

	Special Revenue Fund	Adjustments (Note 2)	Statement of Net Position
<b>Assets</b>			
Cash and Cash Equivalents	\$ 3,551,151	\$ -	\$ 3,551,151
Accrued Interest Receivable	83,455	-	83,455
Prepaid Items	326	-	326
Land	-	3,000,000	3,000,000
<b>Total Assets</b>	<u>3,634,932</u>	<u>3,000,000</u>	<u>6,634,932</u>
<b>Liabilities</b>			
Current:			
Accounts Payable and Accrued Liabilities	30,804	-	30,804
Due Within One Year	-	2,531,261	2,531,261
<b>Total Liabilities</b>	<u>30,804</u>	<u>2,531,261</u>	<u>2,562,065</u>
<b>Fund Balance</b>			
Non-Spendable	326	-	326
Restricted	3,603,802	(3,603,802)	-
<b>Total Fund Balance</b>	<u>3,604,128</u>	<u>(3,603,802)</u>	<u>326</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 3,634,932</u>		
<b>Net Position</b>			
Net Investment in Capital Assets		468,739	468,739
Restricted for:			
Community Redevelopment Projects		3,603,802	3,604,128
<b>Total Net Position</b>		<u>\$ 4,072,541</u>	<u>\$ 4,072,867</u>

See accompanying notes.



**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**SEPTEMBER 30, 2024**

	<b>Special Revenue Fund</b>	<b>Adjustments (Note 2)</b>	<b>Statement of Activities</b>
<b>Revenues</b>			
TIF Revenue from the County	\$ 593,529	\$ -	\$ 593,529
TIF Revenue from the City	-	784,499	784,499
Miscellaneous:			
Interest	148,797	-	148,797
<b>Total Revenues</b>	<u>742,326</u>	<u>784,499</u>	<u>1,526,825</u>
<b>Expenditures</b>			
Current:			
General Government	411,238	-	411,238
District Rehabilitation and Beautification	130,572	-	130,572
Housing Rehabilitation	64,416	-	64,416
Debt Service:			
Principal Payments	122,201	(122,201)	-
Interest and Fees	75,948	-	75,948
Capital Outlay	43,315	(43,315)	-
Capital Outlay Contributed to Primary Government	-	43,315	43,315
<b>Total Expenditures</b>	<u>847,690</u>	<u>(122,201)</u>	<u>725,489</u>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<u>(105,364)</u>	<u>906,700</u>	<u>801,336</u>
<b>Other Financing Sources (Uses)</b>			
Contribution from Primary Government	784,499	(784,499)	-
<b>Total Other Financing Sources (Uses)</b>	<u>784,499</u>	<u>(784,499)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	679,135	122,201	801,336
<b>Fund Balance/Net Position, Beginning of Year</b>	<u>2,924,993</u>	<u>346,538</u>	<u>3,271,531</u>
<b>Fund Balance/Net Position, End of Year</b>	<u>\$ 3,604,128</u>	<u>\$ 468,739</u>	<u>\$ 4,072,867</u>

See accompanying notes.

**NOTES TO FINANCIAL STATEMENTS  
EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
EUSTIS, FLORIDA**

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

The Eustis Downtown and East Town Redevelopment Agency's (the CRA) financial statements are prepared in accordance with generally accepted accounting principles, as applicable to governments. The following is a summary of the more significant policies:

**Reporting Entity**

The City of Eustis, Florida (the City) established the CRA in November of 1990, by Ordinance No. 90-42 and Part III of Chapter 163 of the Florida Statutes. The purpose of the CRA is to finance and redevelop the City's designated redevelopment areas. The governing body of the CRA is the City Commission (the Commission) and, therefore, the City exercises significant influence over its operations and fiscal management. The CRA is considered a component unit for financial reporting purposes and is included as a blended special revenue fund within the City's overall basic financial statements.

**Financial Statements**

These financial statements are presented for the purpose of complying with state law, specifically Florida Statutes, Section 163.387(8)(a), which requires separate audited financial statements for each community redevelopment agency that has revenues or expenditures that exceed \$100,000.

Entity-wide financial statements are prepared at the City-wide level by the City and include the CRA. Copies of that report can be obtained from the City's Finance Department.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

*Government-Wide 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 the related cash flows. Tax Increment Financing (TIF) revenue is recognized as revenue in the year for which the underlying property taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

*Fund Financial Statements*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except for debt service expenditures, which are recorded only when payment is due.

Considering that the 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.

**NOTES TO FINANCIAL STATEMENTS  
EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
EUSTIS, FLORIDA**

TIF revenue, when levied for, and interest associated 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.

**Budgetary Requirements**

An annual budget is prepared for all funds of the City, including the CRA. The budget amounts presented in the accompanying financial statements are as originally adopted, or as legally amended, by the Commission during the year ended September 30, 2024. The City Manager is authorized to transfer part or all of an unencumbered appropriation balance between departments within a fund; however, the Commission must approve any amendments that affect the total appropriations of any fund. Budget appropriations may not be legally exceeded on a fund basis. The budget is adopted on a basis consistent with generally accepted accounting principles.

**Assets and Net Position**

*Cash and Cash Equivalents*

Cash and cash equivalents include cash on hand and deposits placed only with qualified public depositories.

*Capital Assets*

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). The CRA's capital assets not financed with CRA debt are considered to be property of the City and, therefore, are included as capital assets in the City's government-wide financial statements. Such capital asset activity for the year ended September 30, 2024, can be found in the City's audited financial statements. As the capital assets are retained by the City, the CRA contributes capital to the general fund for capital outlay related to the CRA's redevelopment and infrastructure projects, except for assets in which the CRA holds financing agreements.

*Long-Term Obligations*

Long-term obligations, such as bonds and notes, are recorded at the government-wide level for the governmental activities. The amounts payable within one year are classified as non-current liabilities due within one year on the government-wide statement of net position.

*Nature and Purpose of the 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 Commission through an ordinance or resolution are classified as committed fund balances.

**NOTES TO FINANCIAL STATEMENTS  
EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
EUSTIS, FLORIDA**

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

*Net Position*

The government-wide statements utilized a net position presentation. Restricted net position are unspent TIF 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.

**Other Significant Accounting Policies**

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles 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.

*Payroll Related Expenses and Liabilities*

All functions of the CRA are performed by employees of the City. Payroll activity for the year ended September 30, 2024, can be found in the City's audited financial statements.

*Interest Income*

Interest income resulting from pooling of cash in a master bank account is allocated to the CRA based on its proportionate share.

**Note 2 - Explanation of Certain Differences Between the Government-Wide and Fund Financial Statements**

**Statement of Net Position and Governmental Fund Balance Sheet**

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position of governmental activities as reported in the government-wide statement of net position.

**Statement of Activities and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances**

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between the capital outlay of the governmental fund and the capital outlay contributed to the primary government as reported in the government-wide statement of activities.

**NOTES TO FINANCIAL STATEMENTS**  
**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY**  
**EUSTIS, FLORIDA**

**Note 3 - Cash and Cash Equivalents**

At September 30, 2024, the carrying amount of the CRA's cash deposits is \$798,677 and the Certificates of Deposit are \$2,752,474. The City's cash deposits are held by a bank that qualifies as a public depository under the *Florida Security for Public Deposits Act* as required by Chapter 280, Florida Statutes. All deposits are fully insured and collateralized by either the Federal Deposit Insurance Corporation or Florida's Multiple Financial Institution Collateral Pool. The City maintains an investment policy managing authorized investments. Further information on the City's cash and investments can be found in the notes to the annual financial statements of the City.

**Note 4 - Capital Assets**

Asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Land	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000

All assets not acquired with CRA debt are transferred to the primary government.

**Note 5 - Long-Term Debt**

Notes outstanding at September 30, 2024 consist of the following:

	10/1/2023 Balance	Additions	Payments	9/30/2024 Balance	Due within One Year
<b>Governmental Activities</b>					
Loan Payable - 2021	\$ 2,653,462		\$ (122,201)	\$ 2,531,261	\$ 2,531,261
	\$ 2,653,462	\$ -	\$ (122,201)	\$ 2,531,261	\$ 2,531,261

Debt service to maturity on the CRA's loan agreements is as follows:

<b>Loan Payable – 2024</b>		
Fiscal Year	Principal	Interest
2025	\$ 2,531,261	\$ 71,001
	\$ 2,531,261	\$ 71,001

In September 2020, the CRA obtained a note payable to provide financing in the amount of \$3,000,000 for the purchase of three large land lots located within the downtown district. The five-year loan has a fixed interest rate of 2.875%. Principal and interest payments of \$16,512 will be paid monthly, beginning in October 2020, with a balloon payment in the final year. In the event of default, the lender may sell the collateral investment accounts to pay all amounts due, with proper written notice.

**NOTES TO FINANCIAL STATEMENTS  
EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY  
EUSTIS, FLORIDA**

**Note 6 - TIF Revenue**

The CRA is primarily funded through TIF revenue. The revenue is computed by applying the operating tax for the City, Lake County Taxing Authority, and Lake County Water Authority multiplied by the increase in property value of the district over the base year value, minus 5%. The City, Lake County Taxing Authority, and Lake County Water Authority are required to fund this amount annually without regard to tax collections or other obligations.

## REQUIRED SUPPLEMENTARY INFORMATION

**EUSTIS DOWNTOWN AND EAST TOWN REDEVELOPMENT AGENCY**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET TO ACTUAL**  
**SEPTEMBER 30, 2024**

	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues</b>				
Intergovernmental:				
Incremental Tax Transfers - County	\$ 628,214	\$ 628,214	\$ 593,529	\$ (34,685)
Miscellaneous:				
Interest	65,000	65,184	148,797	83,613
<b>Total Revenues</b>	<u>693,214</u>	<u>693,398</u>	<u>742,326</u>	<u>48,928</u>
<b>Expenditures</b>				
Current:				
General Government:				
Operating	105,495	236,048	150,883	85,165
CRA Projects	128,323	5,000	-	5,000
Non-Departmental Incentive	245,000	851,593	324,771	526,822
Debt Service:				
Debt Service Principal	123,600	122,201	122,201	-
Debt Service Interest	74,549	75,948	75,948	-
Capital Outlay	934,000	1,482,039	43,315	1,438,724
<b>Total Expenditures</b>	<u>(1,610,967)</u>	<u>(2,772,829)</u>	<u>(717,118)</u>	<u>2,055,711</u>
<b>Excess of Revenues (Deficiency)</b>				
<b>    Over (Under) Expenditures</b>	<u>(917,753)</u>	<u>(2,079,431)</u>	<u>25,208</u>	<u>2,104,639</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In - Primary Government	784,683	784,499	784,499	-
<b>Total Other Financing Sources (Uses)</b>	<u>784,683</u>	<u>784,499</u>	<u>784,499</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(133,070)	(1,294,932)	809,707	2,104,639
<b>Fund Balances, Beginning of Year</b>	<u>2,301,904</u>	<u>2,049,572</u>	<u>2,924,993</u>	<u>875,421</u>
<b>Fund Balances, End of Year</b>	<u>\$ 2,168,834</u>	<u>\$ 754,640</u>	<u>\$ 3,734,700</u>	<u>\$ 2,980,060</u>



## 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

The Eustis City Commission  
Eustis Downtown and East Town Redevelopment Agency  
Eustis, 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 Eustis Downtown and East Town Redevelopment Agency (the CRA) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's financial statements and have issued our report thereon dated April 10, 2025.

### 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 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 on 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 or significant deficiencies may exist that were not identified.

### 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

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

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*

April 10, 2025  
Ocala, Florida

# PURVIS GRAY

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

The Eustis City Commission  
Eustis Downtown and East Town Redevelopment Agency  
Eustis, Florida

We have examined the Eustis Downtown and East Town Redevelopment Agency's (the CRA) compliance with the requirements of Section 163.387(6) and (7), Florida Statutes, as of and for the year ended September 30, 2024, as required by Section 10.556(10)(f), *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 specific requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risk 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.

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

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

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

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

*Purvis Gray*

April 10, 2025  
Ocala, Florida

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## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Eustis City Commission  
Eustis Downtown and East Town Redevelopment Agency  
Eustis, Florida

We have examined the Eustis Downtown and East Town Redevelopment Agency's (the CRA) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2024, 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 specific requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risk 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.

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

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

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

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

*Purvis Gray*

April 10, 2025  
Ocala, Florida

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## MANAGEMENT LETTER

The Eustis City Commission  
Eustis Downtown and East Town Redevelopment Agency  
Eustis, Florida

### Report on the Financial Statements

We have audited the financial statements of the Eustis Downtown and East Town Redevelopment Agency (the CRA) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 10, 2025.

### 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 Auditor's Report on 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 and schedule, which are dated April 10, 2025, 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 annual financial audit report. There were no prior audit findings.

### 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 be disclosed in the Management Letter, unless disclosed in the notes to the financial statements (see Note 1 of the CRA's financial statements as of and for the year ended September 30, 2024, for this information).

### 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.

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 Eustis, 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. 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 the 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 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 determined that all special district component units provided 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 Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the CRA reported the following information that was not subject to auditing procedures:

- The total number of district employees compensated in the last pay period of the district's fiscal year as 0.
- 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.
- All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- 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 projects is:

Project Name	Budget	Total Expenditures
		To-Date
Sidewalk/Tree Planting	\$ 176,800	\$ 134,689
Lake Eustis Seawall Rehabilitation	\$ 440,400	\$ 40,500

- A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, see Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual as presented in the financial statements for the year ended September 30, 2024.

The Eustis City Commission  
 Eustis Downtown and East Town Redevelopment Agency  
 Eustis, Florida

## MANAGEMENT LETTER

### Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the City confirms that a PACE program, authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the City's geographical boundaries during the fiscal year under audit.

As required by Sections 10.554(1)(i)6.b. and 10.554(1)(i)6.c., *Rules of the Auditor General*, the following are the program administrators and their contact information:

Program Administrator	Address	Phone Number	Third-Party Administrators
<b>Florida Green Finance Authority</b>	2501A Burns Rd. Palm Beach Gardens, Florida 33410	561-630-4922 x240	<b>Petros Pace</b> 300 Colorado St., Suite 2000 Austin, Texas 78701 512-599-9037  <b>Renew Financial</b> 555 12th St., Suite 1650 Oakland, California 94607 844-736-3934
<b>Green Corridor Pace District</b>	5385 North Nob Hill Rd. Sunrise, Florida 33351	954-721-8681	<b>Ygrene Energy Fund</b> 6303 Blue Lagoon Drive, Suite 400 Miami, Florida 33126 866-634-1358
<b>Florida Pace Funding Agency</b>	6650 Professional Pkwy, Suite 102 Sarasota, Florida 34240	850-400-PACE	<b>FortiFi</b> 12770 High Bluff Dr., Suite 26, San Diego, California 92130 1-858-345-2000  <b>Home Run Financing</b> 750 University Ave., Suite 140 Los Gatos, California 95032 844-873-7223  <b>Bayview PACE</b> 4425 Ponce de Leon Coral Gables, Florida 33146 844-518-2343
<b>Florida Resiliency and Energy District</b>	156 Tuskawilla Rd., Suite 2340 Winter Springs, Florida 32708	407-712-6352	<b>Florida Development Finance Corp.</b> 156 Tuskawilla Rd., Suite 2340 Winter Springs, Florida 32708 407-712-6352



The Eustis City Commission  
Eustis Downtown and East Town Redevelopment Agency  
Eustis, Florida

## MANAGEMENT LETTER

### Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Honorable Mayor, and City Council and management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Purvis Gray*

April 10, 2025  
Ocala, Florida

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