MERRITT ISLAND REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF
BREVARD COUNTY, FLORIDA)

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

As of and for the Year Ended September 30, 2025

And Reports of Independent Auditor

Cherry Bekaert LLP
Your Guide Forward

MERRITT ISLAND REDEVELOPMENT AGENCY
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Report of Independent Auditor

To the Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Agency, as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2026, 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 the Agency's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Orlando, Florida
March 20, 2026

As management of the Merritt Island Redevelopment Agency (the "Agency"), we offer readers of the Agency's financial statements this narrative overview and analysis of the Agency's financial activities for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the financial statements and notes to the financial statements.

The Agency is a discretely presented component unit of Brevard County, Florida (the "County"), and the financial information detailed in this report is also contained in the Brevard County, Florida Annual Comprehensive Financial Report.

Financial Highlights

- The Agency's assets exceeded its liabilities at September 30, 2025 by $4,852,950 (net position). All of this amount is restricted as the funds are to be used solely for revitalization projects located within the boundaries of the Agency.

- The Agency's net position decreased by $973,031 compared to the previous year's amount.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Agency's assets and liabilities, 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 Agency is improving or deteriorating.

The statement of activities presents information showing how the Agency'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, expenses are reported in this statement for some items where the related cash outflow will occur in future fiscal periods.

General fund. The general fund is 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 general 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 the general fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the general fund 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 Agency's near-term financing decisions. Both the general fund balance sheet and the general fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between general fund and governmental activities.

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 are an integral part of the basic financial statements.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

The Agency adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund 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 Agency, assets exceeded liabilities by $4,852,950 at the close of the most recent fiscal year. This compares with $5,825,981 at the close of the previous fiscal year, a decrease of $973,031.

The change in net position can primarily be attributed to the following factors:

- Total assets increased $53,973 during fiscal year 2025 as a result of increased general revenues during 2025 compared to 2024, primarily due to increased investment earnings and incremental taxes and an increase in due from other governmental units.

- Total liabilities increased $1,027,004 primarily as a result of timing of payment of vouchers and contracts payable and the beginning of construction projects.

	Net Position	
	2025	2024
Assets:		
Current assets	$ 6,180,660	$ 6,126,687
Total assets	$ 6,180,660	$ 6,126,687
Liabilities:		
Current liabilities	$ 974,165	$ 211
Noncurrent liabilities	353,545	300,495
Total liabilities	$ 1,327,710	$ 300,706
Net Position:		
Restricted:		
Merritt Island	$ 4,852,950	$ 5,825,981
Total net position	$ 4,852,950	$ 5,825,981

Governmental Activities

Governmental activities decreased the Agency's net position by $973,031 in fiscal year 2025, compared to an increase of $1,067,108 in the prior fiscal year. Total revenues increased by $2,365,815 from last year primarily as a result of a $2,323,900 increase in grants received for construction projects compared to fiscal year 2024.

Total expenses increased by $4,405,954, primarily as a result of breaking ground on the Amphitheater at Veterans Park in the current fiscal year.

	Changes in Net Position	
	2025	**2024**
Revenues:		
General Revenues:		
Taxes	$ 1,513,986	$ 1,362,667
Other general revenues	2,809,325	594,829
Total general revenues	4,323,311	1,957,496
Expenses:		
Program expenses	5,296,342	890,388
Change in net position	(973,031)	1,067,108
Net position, beginning	5,825,981	4,758,873
Net position, ending	$ 4,852,950	$ 5,825,981

Economic Factors and Conditions

The Agency's major source of revenue, taxes, are based on Brevard County's property tax collections, which are affected by property values and millage rates set by the County.

The Agency is funded primarily by tax increment revenues collected and remitted by Brevard County, Florida, Tax Collector. Currently, 75% of the tax revenues generated as a result of increases in property values ("tax increment") within the redevelopment area boundaries are placed in the Agency's Trust Fund. This was reduced in 2020 from 95% for a 10-year period ending in 2030. The reason for the reduction was to enable $2.75 million in partial funding necessary to complete the Sea Ray Drive Bridge Project, which was damaged in Hurricane IRMA.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in such. Questions concerning any of the information should be addressed to the Executive Director, 2575 N. Courtenay Parkway, Suite 214, Merritt Island, Florida 32953.

BASIC FINANCIAL STATEMENTS

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

ASSETS		
Cash equivalents	$	6,163,536
Due from other governmental units		17,124
Total Assets		6,180,660
LIABILITIES		
Vouchers and contracts payable		974,165
Noncurrent Liabilities:		
Due Within One Year:		
Accrued compensated absences		2,953
Due in More than One Year:		
Accrued compensated absences		22,463
Accrued personnel costs		328,129
Total Noncurrent Liabilities		353,545
Total Liabilities		1,327,710
NET POSITION		
Restricted for:		
Merritt Island		4,852,950
Total Net Position	$	4,852,950

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

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2025

General Revenues:		
Taxes - other	$	1,513,986
Intergovernmental		2,494,337
Investment gain		314,988
Total General Revenues		4,323,311
Program expenses		5,296,342
Change in net position		(973,031)
Net position, beginning of the year		5,825,981
Net position, end of the year	$	4,852,950

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

MERRITT ISLAND REDEVELOPMENT AGENCY
BALANCE SHEET – GENERAL FUND

SEPTEMBER 30, 2025

ASSETS		
Cash equivalents	$	6,163,536
Due from other governmental units		17,124
Total Assets	$	6,180,660
LIABILITIES		
Vouchers and contracts payable	$	974,165
FUND BALANCE		
Restricted		5,206,495
Total Liabilities and Fund Balance	$	6,180,660
Reconciliation of the Balance Sheet to the Statement of Net Position:		
Amounts reported in the Statement of Net Position differ from amounts reported above as follows:		
Fund Balance - General Fund	$	5,206,495
Long-term liabilities are not due and payable in the current period and, therefore, are not reported above.		(353,545)
Net Position of Governmental Activities	$	4,852,950

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

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2025

Revenues:		
Taxes - other	$	1,513,986
Intergovernmental		2,494,337
Investment gain		314,988
Total Revenues		4,323,311
Expenditures:		
Economic environment		5,243,292
Total Expenditures		5,243,292
Net change in fund balance		(919,981)
Fund balance, beginning		6,126,476
	$	5,206,495

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the General Fund to the Statement of Activities:

Amounts reported for governmental activities in the Statement of Activities:		
Net change in fund balance-general fund	$	(919,981)
Some revenues reported in the Statement of Activities do not provide current resources due to being unavailable and, therefore, are not reported as revenues in governmental funds.		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(53,050)
Change in Net Position of Governmental Activities	$	(973,031)

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

Note 1—Summary of significant accounting policies

Merritt Island Redevelopment Agency (the "Agency") was established pursuant to Section 163.387, Florida Statutes, and Ordinance 89-28, as amended by 90-188. The Agency's primary activity is redevelopment within the Merritt Island Redevelopment Plan-designated redevelopment areas, primarily the commercial and industrial core, through the collection of incremental taxes.

The Agency is funded primarily by tax increment revenues collected and remitted by Brevard County, Florida, Tax Collector. Currently, 75% of the tax revenues generated as a result of increases in property values ("tax increment") within the redevelopment area boundaries are placed in the Agency's Trust Fund. This was reduced in 2020 from 95% for a 10-year period ending in 2030.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"). The following is a summary of the more significant policies:

Reporting Entity – The Agency is a legally separate entity with no component units. A seven-member volunteer Board of Directors (the "Board") is responsible for providing the oversight to the Agency. All Board members are recommended for appointment by the District 2 County Commissioner of the Brevard County Board of County Commissioners and are approved for appointment by the Brevard County Board of County Commissioners. A major portion of the Agency's funding is derived from tax increment revenues. Therefore, the Agency, for financial reporting purposes, is considered a discretely presented component unit of Brevard County, Florida (the "County"). The financial statements of the Agency are included in Brevard County, Florida's Annual Comprehensive Financial Report under a discrete presentation format.

Basis of Accounting – Government fund financial statements are organized for reporting purposes on the basis of a general fund, the Agency's major fund, which accounts for all activities of the Agency and is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Agency considers all revenues available if collected within 60 days after year-end. Expenditures are recognized when the related fund liability is incurred.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Balance / Net Position – Fund balance for the Agency is reported in classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts of the fund can be spent. Fund balances are classified either as nonspendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

Nonspendable fund balances include amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. As of September 30, 2025, the Agency did not have any fund balance that was classified as nonspendable.

Spendable fund balances are classified based on a hierarchy of the Agency's ability to control the spending of these fund balances.

Restricted fund balances are fund balance amounts that are constrained for specific purposes by external parties, such as creditors, grantors, or contributors; constitutional provisions; or enabling legislation.

Note 1—Summary of significant accounting policies (continued)

Committed fund balances are fund balances constrained for specific purposes by formal action of the District's highest level of decision making authority. Committed fund balances are reported pursuant to resolutions approved by the Governing Board and can only be modified or rescinded through resolutions approved by the Governing Board.

Assigned fund balances are fund balances intended to be used for specific purposes, but which are neither restricted nor committed.

Unassigned fund balances represent the residual positive fund balance within the general fund, which has not been assigned to other funds and has not been restricted, committed, or assigned.

For purposes of fund balance classification, the Agency considers restricted funds to have been spent first when both restricted and unrestricted fund balance is available, followed in order by committed, assigned, and unassigned amounts, as applicable.

The government-wide financial statements utilize a net position presentation. Net position can be categorized as net investment in capital assets, restricted or unrestricted. The Agency does not have any net position categorized as net investment in capital assets or unrestricted as of September 30, 2025. Restricted net position represents amounts that are restricted by requirement of enabling legislation. When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, and then unrestricted resources as they are needed.

Accrued Compensated Absences – It is the Agency's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The costs of paid time off accrued as a liability for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash. All vacation and a portion of sick pay is accrued when earned and a liability is reported in the government-wide financial statements. A liability is reported in the governmental funds only if a liability results from employee resignations/retirements and they are to be paid with current operating funds. Estimates have been utilized to determine the amount to report as the current portion.

Accrued Personnel Costs – The statement of net position includes a noncurrent liability related to accrued personnel costs. This represents the Agency's liability for pension and other postemployment fringe benefit costs related to the Agency's contracted use of County employees.

Budget – On or before September 30 of each year, the Agency's Board adopts an annual budget sufficient to support the anticipated work program for the year. The budget includes revenues from all sources legitimately available to the Agency. The Agency's Board can legally amend the budget to the extent deemed necessary, provided the budget remains in balance at the fund level. Agency management, other than the Board, cannot amend or transfer appropriations. For the year ended September 30, 2025, no excess of expenditures over appropriations at the legal level of budgetary control occurred.

The budget is adopted on a basis consistent with U.S. GAAP.

Use of Estimates – The preparation of the financial statements requires management to make use of estimates that affect reported amounts. Actual results could differ from those estimates.

New Accounting Pronouncement – Effective October 1, 2025, the Agency implemented the provisions of GASB Statement No, 101, *Compensated Absences*. The Statement establishes a unified recognition model that will result in a liability that more appropriately reflects when an obligation is incurred. A liability is recognized for leave that is attributable to services already rendered, accumulates, and it more likely than not to be used or otherwise paid. The implementation of this standard resulted in no material impact on the Agency's financial statements.

Note 2—Cash equivalents

All funds of the Agency are invested with the County's cash and investment pool, which consists of the County's cash and investments and that of the component units. There are no restrictions on the Agency's ability to withdraw funds from the County's pool, so all amounts are considered cash equivalents. All cash equivalents are stated at fair value, based on the Agency's investment portion of the fair value of the County's pooled investments. The County's investment pool is not rated.

The Agency's investment policy is established in accordance with the Sections 125.01 and 218.415, Florida Statutes. The policy permits investing directly in or through the County's investment pool, which is authorized to invest in the following: State Board of Administration, state of Florida, direct obligations of the United States Government, obligations of the different agencies of the federal government, Corporate Notes, Commercial Paper, Municipal Bonds, Intergovernmental Investment Pools, Supranationals, Asset-Backed Securities, Multi-Asset Class Portfolio Investments (including both Domestic and International Equities, Emerging Market Debt, Real Estate Investment Trusts-REITS, and Treasury Inflation Protected Securities – TIPS), Registered Investment Companies (Mutual Funds), and time deposits or savings accounts of financial institutions under federal and state regulation.

Note 3—Summary of long-term liabilities

The following is a summary of changes in long-term liabilities during the year ended September 30, 2025:

	October 1, 2024	Additions	Deletions	September 30, 2025	Due within one year
Governmental activities:					
Accrued compensated absences	$ 13,979	$ 11,437	$ -	$ 25,416	$ 2,953
Accrued personnel costs	286,516	41,613	-	328,129	-
Total governmental activities long-term liabilities	$ 300,495	$ 53,050	$ -	$ 353,545	$ 2,953

Accrued compensated absences and accrued personnel costs are liquidated with resources of the Agency's only fund, the General Fund, through which the related employees' regular salaries and fringe benefits were paid.

Note 4—Related party transactions

The Agency is a discretely presented component unit of Brevard County, Florida. For the year ended September 30, 2025, the Agency's tax increment revenues include $1,513,986 received from the County.

Note 5—Community redevelopment agency

As explained in Note 1, Merritt Island Redevelopment Agency is a discretely presented component unit in the County's Annual Comprehensive Financial Report. As required by Florida Statute, additional information regarding Agency's financial activity during the year ended September 30, 2025 is as follows:

Sources of deposits:	
County tax increment	$ 1,513,986
Intergovernmental	2,477,213
Investment gain	314,988
Total deposits	$ 4,306,187
Purpose of withdrawals:	
Economic environment	$ 4,269,338

The Agency does not have pledged incremental revenues or has not incurred any debt to carry out its activities.

REQUIRED SUPPLEMENTARY INFORMATION

MERRITT ISLAND REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes - other	$ 1,513,984	$ 1,513,984	$ 1,513,986	$ 2
Intergovernmental	2,363,051	3,657,714	2,494,337	(1,163,377)
Miscellaneous	45,000	45,000	314,988	269,988
Total Revenues	3,922,035	5,216,698	4,323,311	(893,387)
Expenditures:				
Economic environment	9,212,894	10,442,824	5,243,292	5,199,532
Total Expenditures	9,212,894	10,442,824	5,243,292	5,199,532
Net change in fund balance	(5,290,859)	(5,226,126)	(919,981)	(6,092,919)
Fund balance, beginning	5,290,859	5,226,126	6,126,476	900,350
Fund balance, ending	$ -	$ -	$ 5,206,495	$ 5,206,495

SUPPLEMENTARY REPORTS

Cherry Bekaert LLP
Your Guide Forward

Report of Independent Auditor 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 Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

We have audited, 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, the financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 20, 2026.

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 opinions 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 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 have not been 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Orlando, Florida
March 20, 2026

Cherry Bekaert LLP
Your Guide Forward

Independent Auditor's Management Letter

To the Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

Report of the Financial Statements

We have audited the financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2025, and have issued our report thereon dated March 20, 2026.

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 Report of Independent Auditor 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 Report of Independent Accountant on Compliance with Local Government Investment Policies and Community Redevelopment Agency Requirements. Disclosures in those reports, which are dated March 20, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosure is included in the notes to the financial statements. There were no component units related to the Agency.

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, the results of our tests did not indicate the Agency met 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 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.

Property Assessed Clean Energy (PACE) Program

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the Agency did operate a PACE program authorized pursuant to Sections 163.081 or 163.082, Florida Statutes, within the County's geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the Agency, a list of all program administrators and third-party administrators that administered the program is provided in Appendix A to this management letter.

As required by Section 10.554(1)(i)6.c., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the Agency, the full names and contact information of each such program administrator and third party administrator is provided in Appendix A to this management letter.

Specific Information

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

a. The total number of Agency employees compensated in the last pay period of the fiscal year as three.

b. There is one independent contractor to whom nonemployee compensation was paid in the last month of the Agency's fiscal year.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $208,578.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $20,105.

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 the total expenditures for such project as listed below:

Project Name	Budget	Inception Date	Expenditures to Date
Veteran's Park Amphitheater	$7,759,214	10/01/2024	$4,700,223

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes, $1,229,930.

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

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

Cherry Bekaert LLP

Orlando, Florida
March 20, 2026

Appendix A

Information Regarding PACE Program Administrators and Third-Party Administrators

PROGRAM ADMINISTRATOR					
Administered by:	First Name	Last Name	Title	Phone	Email
Florida Development Finance Corporation	Ryan	Bartkus	Sr. Director	(407) 712-6353	rbartkus@fdfcbonds.com
	Ahisha	Rodriguez	Sr. Programs Manager	(407) 712-6352	arodriguez@fdfcbonds.com

THIRD PARTY ADMINISTRATORS					
Contacts	First Name	Last Name	Title	Phone	Email
Allectrify "FastPace"	Colin	Bishopp	CEO	(202) 550-7570	colin@allectrify.com
	Fran	Faulknor	Chief Investment Officer	(240) 393-5569	fran@allectrify.com
Bayview PACE	Danny	Roberts	Assistant Vice President	(844) 518-2343	dannyroberts@bayview.com
	Joseph	Zanzuri	CRE Analyst	(844) 518-2343	josephzanzuri@bayview.com
CastleGreen Finance	Lance	Haberin	Managing Director	(914) 815-9810	lhaberin@castlegreenfinance.com
Clearwater PACE	Jonathan	Seabolt		(929) 352-1479	jseabolt@c-pace.com
CounterpinteSRE	Eric	Alini		(855) 431-4400	inquiry@counterpointesre.com
Dwight Green Finance	Joshua	Kravitz	Chief Financial Officer	(212) 960-3750	info@dwightcap.com
Ebee Management Grp.	Teresa	Smith	Strategic Growth & Development	(419) 340-0420	tsmith@ebeeco.com
Enhanced Capital	Ian	McCulley			imcculley@enhancedcapital.com
Imperial Ridge	Joel	Poppert	Managing Director	(303) 390-1655	jpoppert@imperialridgecap.com
	Kevin	Morse	Managing Director	(303) 390-1655	kmorse@imperialridgecap.com
Lord Capital LLC	Joseph	Lau	President	(212) 400-7150	jlau@lordcap.com
	Jessica	Collins		(212) 400-7150	jcollins@lordcap.com
North Bridge	Laura	Rapaport		(917) 747-5474	laura@northbridgeops.com
North Field Capital	Caleb	Stokes		(917) 349-4101	caleb.stokes@nf-cap.com
Nuveen Green Capital	Ryan	Doyle	Sr. Director, Southeast	(404) 550-3064	ryan.doyle@nuveen.com
	Tara	Crotty	Vice President, Asset Management	(917) 208-4016	tara.crotty@nuveen.com
PACE Equity	Aysha	Cox	Transaction Analyst	(855) 378-0858	acox@pace-equity.com
	Pam	Haack	Director, Asset Management	(855) 378-0858	phaack@pace-equity.com
PACE Loan Group	Rafi	Golberstein	Chief Executive Officer	(612) 355-2606	rafi@paceloangroup.com
	Matthew	McCormack	Junior Originator / Analyst	(612) 355-2630	matthew@paceloangroup.com
	Angela	Ledding	Managing Director	(218) 966-8418	angela@paceloangroup.com
Peachtree Group	Robert	Loeb		(770) 299-2516	rloeb@stonehillsc.com
	Jared	Schlosser	Senior Vice President	(678) 823-9313	jschlosser@stonehillsc.com
Petros PACE Finance	John	Gamm	Vice President - Legal	(512) 599-9027	john@petrospartners.com
	Tasha	Hernandez	Transaction Manager	(512) 256-9771	tasha@petrospartners.com
	Justin	White	Vice President - Transactions	(512) 599-9047	justin@petrospartners.com
Sustainable Equity, LLC	Byron	DeLear		(314) 445-7911	byron@sustainableequity.org
	Abraham	Rezez			abraham@sustainableequity.org
White Oak	Jeff	Habicht	Director	(415) 644-4100	jhabicht@whiteoaksf.com
Total Third Party Administrators: 19					

Cherry Bekaert LLP
Your Guide Forward

Report of Independent Accountant on Compliance with Local Government Investment Policies and Community Redevelopment Agency Requirements

To the Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

We have examined Merritt Island Redevelopment Agency's (the "Agency") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, during the year ended September 30, 2025. 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 with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the 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 judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

The purpose of this report is to comply with the audit requirements of Sections 218.415 and 163.387, Florida Statutes, and Rules of the Auditor General.

In our opinion, the Agency complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, during the year ended September 30, 2025.

Cherry Bekaert LLP

Orlando, Florida
March 20, 2026