

City of Lauderhill

*City Commission Chambers at City Hall
5581 W. Oakland Park Blvd.
Lauderhill, FL, 33313
www.lauderhill-fl.gov*



Meeting Minutes - Draft

Monday, March 31, 2025

3:30 PM

City Commission Chambers

Community Redevelopment Agency Meeting (CRA)

CRA Executive Director Sean Henderson

LAUDERHILL CITY COMMISSION

Mayor Denise D. Grant

Vice Mayor Sarai "Ray" Martin

Commissioner Richard Campbell

Commissioner Melissa P. Dunn

Commissioner John T. Hodgson

Kennie Hobbs, Interim City Manager

Andrea M. Anderson, City Clerk

Hans Ottinot, Interim City Attorney

I CALL TO ORDER

Mayor Grant called to order the Community Redevelopment Agency (CRA) Meeting at 3:30 PM.

II ROLL CALL

Present: 4 - Commissioner Richard Campbell, Commissioner Melissa P. Dunn, Commissioner John T. Hodgson, and Mayor Denise D. Grant
Absent: 1 - Vice Mayor Sarai Martin

ALSO PRESENT:

Sean Henderson, Executive Director
Hans Ottinot, Interim City Attorney
Constance Stanley, Police Chief
Andrea M. Anderson, City Clerk

III THIS WILL BE A LIMITED AGENDA MEETING. THE ONLY ITEMS TO BE DISCUSSED WILL BE:

PRESENTATIONS

A. A PRESENTATION OF BASIC FINANCIAL STATEMENTS FOR FISCAL YEAR 2024 (REQUESTED BY EXECUTIVE DIRECTOR SEAN HENDERSON).

Attachments: [2024lauderhillcra-Draft](#)

[CRA Fiscal Year 2024 Audit Presentation \(As Referenced Within Minutes\)](#)

Executive Director Sean Henderson introduced the fiscal year 2024 audit presentation, explaining that this was the only item on the presentation agenda. He noted that Finance Director Karen Pottinger and her staff had worked diligently with HCT, certified public accountants, to prepare a third-party audit and evaluation of the CRA. He then invited Mr. Roderick Harvey from HCT to present the audit findings.

Mr. Harvey greeted the mayor and commissioners and began his presentation of the FY 2024 audit. He explained that the audit procedures were performed in accordance with the audit engagement letter issued on November 25, 2024. He was pleased to announce that based on their audit testing and review of the internal control environment, they were issuing an unmodified or clean audit opinion. The audit presentation date was noted as the current meeting date.

Mr. Harvey proceeded through the presentation slides, explaining that their audit scope was to perform an audit in accordance with Generally Accepted Auditing Standards (GAAS) to ensure the CRA was maintaining its accounting records in accordance with Generally Accepted Accounting Principles (GAAP). The audit covered the year ending September 30, 2024. He confirmed there were no

changes to their audit plan or strategy, all related auditor reports had been issued, there were no outstanding matters, and all significant accounting policies and procedures were detailed in Note 1 of the financial statements.

Regarding significant accounting estimates, Mr. Harvey identified allowance for doubtful accounts and depreciation as the key estimates based on their professional review. He noted that significant audit risks included management override and revenue recognition, and confirmed there were no new GASB or FASB pronouncements that impacted the 2024 audit year.

Mr. Harvey reported that there were no uncorrected misstatements, no corrected misstatements, and no financial presentation and disclosure omissions. He emphasized that they found no internal control deficiencies and no significant findings. He requested that if the audit report were to be used as part of another document, they be notified.

Moving through the required communications to those charged with governance, Mr. Harvey systematically confirmed there were no matters to report regarding illegal acts or fraud, non-GAAP matters, significant findings or issues, or disagreements with management. He confirmed that based on AICPA guidance, the audit firm maintained its independence.

Mr. Harvey then turned the presentation over to Executive Director Henderson to discuss the current financial position of the CRA. Executive Director Henderson explained that this section was added to provide a bird's eye view of the CRA's position as of February 28, noting these were not numbers the auditor had reviewed. He reported that the current fund budget for both the central and eastern CRA was \$2.8 million, with revenues currently at 57% or \$1.6 million and expenditures at \$529,000 or 18.77%. He explained that the expenditure ratio appeared low because the majority of CRA expenditures were capital expenditures for facade improvements and the build-out of the police substation. All revenues and expenditures were on pace, and cash and investments on hand totaled \$3 million.

Mayor Grant inquired about the police station funding, seeking clarification on why the CRA was paying for it. Executive Director Henderson confirmed they were conducting the build-out for the police substation at Wyngate Plaza, explaining it was located in the plaza area, which justified CRA involvement.

Mr. Harvey resumed the presentation to discuss the audit results and financial overview. He reiterated that they performed the audit in accordance with GAAS and governmental auditing standards, tested the control environment including the CRA's policies and practices, and tested for compliance with applicable laws, rules, and regulations.

Presenting the key financial numbers from page 9 of the audit report, Mr. Harvey reported that for fiscal year 2024, cash and investments totaled \$2.8 million, total assets were \$11.2 million, total liabilities were \$1.6 million, and the net position of the CRA at year end was \$9.6 million.

Mr. Harvey explained their evaluation of the control environment, noting they examine how things are versus how they should be, with any gap determining if significant deficiencies exist. He defined two types of deficiencies: a significant deficiency as a deficiency in the control environment less important than a material weakness but strong enough to be reported to those with governance, and a material weakness as a weakness with reasonable possibility that financial statements would not prevent, detect, or correct errors on a timely basis. He confirmed there were no financial statement matters to report.

Discussing the tripod of responsibility, Mr. Harvey explained that management is responsible for the financial statements and control environment, auditors are responsible for auditing the financial statements and reviewing the control environment, and those charged with governance oversee the reporting process and control environment. He confirmed they performed the audit in accordance with GAAS and GAAP with no issues to present.

Mr. Harvey then presented detailed financial information for the Eastern CRA, showing a fund balance of \$7.5 million at the end of fiscal year 2024. Revenue for the year was \$334,000 with transfers in and expenditures resulting in a positive change in fund balance of \$620,000. For the Central CRA fund, he reported a fund balance at year end of \$1.1 million, revenues of \$35,000, and with transfers in and out, a negative change in fund balance of \$161,000.

Looking at overall fund balances, Mr. Harvey reported the entity-wide net position at \$9.6 million, unrestricted net position of \$1.7 million, Eastern CRA fund balance of \$7.5 million, and Central CRA fund balance of \$1.1 million.

Mr. Harvey concluded by thanking the CRA and city staff for their assistance in providing necessary documentation in a timely manner to complete the audit. He emphasized that they could not do their job without staff's cooperation.

Mayor Grant thanked Mr. Harvey for the presentation and began asking questions. She inquired about the duration of the audit process. Mr. Harvey explained that normally an audit takes 6 to 8 weeks, and they typically overlap the CRA audit with the city audit. Since the city audit is longer, taking 2 to 3 months, the CRA audit plays out over that same timeframe.

Mayor Grant sought clarification about department interfaces mentioned in the report, noting she thought she heard something about the city manager having no report. Executive Director Henderson clarified that HCT performs audits for both the CRA and the city, but by statute the CRA must have its own independent audit. Mr. Harvey confirmed he was only speaking about the CRA in this presentation, and Mayor Grant acknowledged she may have misheard.

Mayor Grant then asked about a specific negative amount mentioned in the report. Mr. Harvey explained it was the Central CRA balance, which had a deficit fund balance of \$161,000 at year end. He emphasized that while this was negative, it represented an improvement from the previous year's deficit of over \$1 million, showing the Central CRA fund balance had made a positive move toward being less negative.

Executive Director Henderson expanded on this point, explaining it was "a product of our own success." He detailed that when the CRA acquired properties, the lots were valued at \$6,000, but when selling them now at \$60,000, they must take a realized loss on the appreciation of the property. This accounting treatment for the sale of properties results in recognizing a realized loss on the land value when selling homes.

Mayor Grant inquired about the current status of homes under development. Executive Director Henderson reported they had two homes under construction with two approved and ready buyers. He explained they experienced a delay due to window production issues. Once the windows arrived, they could proceed, having previously encountered delays with tile and roofing, and now windows. He emphasized they wanted to ensure proper windows for home efficiency, as Broward County had added a new division checking window efficiency. Despite the unfortunate wait for the right windows based on the plans, the homes were ready to close in the next few months.

Mayor Grant raised the topic of current state-level conversations about CRAs. Executive Director Henderson acknowledged this was an important topic that could be discussed at another time. Mayor Grant then asked him to explain for residents how their CRA receives funding, which differs from other CRAs.

Executive Director Henderson provided a detailed explanation of CRA funding. He explained that most CRAs receive funding through TIF (Tax Increment Financing). This process involves establishing a base year where property values in a particular geographic area are evaluated. As values in that area increase or decrease year over year, revenues are transferred to the CRA in the form of tax increment financing. He noted that Lauderhill's CRA is one of only three CRAs in Broward County that he's aware of that don't receive tax increment financing from the county. This situation is driving discussions at CRA conferences statewide, where he's observed that other counties are supportive of CRAs while Broward County is looking to shut them down. He confirmed their CRA's expiration date is currently set for 2035.

Mayor Grant thanked Executive Director Henderson for the information and the presentation, finding it very informative. She asked Mr. Harvey to confirm that the CRA is in good standing, which he confirmed.

ORDINANCES - FIRST READING

1. CRA ORDINANCE NO. CRA-250-03-100: AN ORDINANCE OF THE CITY OF LAUDERHILL COMMUNITY REDEVELOPMENT AGENCY ("CRA") APPROVING THE SECOND AMENDMENT TO THE REAL ESTATE DEVELOPMENT AGREEMENT AND ADDENDUM BETWEEN THE CITY OF LAUDERHILL AND LE PARC AT LAUDERHILL, LLC, TO CHANGE THE COMMENCEMENT OF CONSTRUCTION START DATE FROM DECEMBER 31, 2024 TO JULY 1, 2025 FOR THE DEVELOPMENT PROJECT TO BE CONSTRUCTED ON THE PROPERTY LOCATED AT 3831 NW 13TH STREET, LAUDERHILL,

FLORIDA; PROVIDING THE CITY MANAGER OR DESIGNEE WITH THE AUTHORITY TO GRANT AN ADDITIONAL SIX (6) MONTHS EXTENSION OF THE CONSTRUCTION COMMENCEMENT DATE FOR GOOD CAUSE; PROVIDING FOR AN EFFECTIVE DATE (REQUESTED BY CRA EXECUTIVE DIRECTOR SEAN HENDERSON).

Attachments: [ORD 250-03-100 Ordinance Le Parc CRA Extension 1-17-25](#)
[AR CRA-250-03-100](#)
[SECOND AMENDMENT TO DEVELOPMENT AGREEMENT](#)

A motion was made by Commissioner M. Dunn, seconded by Commissioner J. Hodgson, that this Ordinance be approved on first reading to the Community Redevelopment Agency Meeting (CRA), due back on 4/14/2025. The motion carried by the following vote:

Yes: 4 - Commissioner R. Campbell, Commissioner M. Dunn, Commissioner J. Hodgson and Mayor D. Grant

Absent: 1 - Vice Mayor S. Martin

Abstain: 0

IV ADJOURNMENT - 3:47 PM