



AGENDA  
COMBINED BOARD MEETING  
Bay County Tourist Development Council  
Panama City Beach Convention & Visitors Bureau, Inc.  
Panama City Beach  
9:00 a.m.

Tuesday, May 24, 2022

Council Room, PCB City Hall

- I. CALL MEETING TO ORDER**
- II. ROLL CALL**
  - A. Invocation
  - B. Pledge of Allegiance
  - C. Approve Feb 25, 2022, March 08, 2022, and March 18, 2022 Minutes
- III. REQUESTS TO ADDRESS THE BOARD ON AGENDA ITEMS (3 Minutes)**
- IV. CONSENT AGENDA**
  - A. Acknowledge Receipt of the March 2022 Tourist Development Tax Collection Report
  - B. Acknowledge Receipt of the March Quarterly Financial Report
- V. PRESENTATIONS**
  - A. Review the FY2021 Financial Audit, Mr. Rich Moreia
- VI. ACTION ITEM**
  - A. Approve Mexico Beach & PCB FDEP Annual Funding Request Resolutions, Mr. Dan Rowe
- VII. DISCUSSION ITEMS**
  - A. Public Safety Funding Update, Ms. Charlene Honnen
  - B. Workforce Development/Education Initiative, Mr. Dan Rowe
  - C. Fun for All Campaign, Ms. Jayna Leach
  - D. Special Events Update, Mr. Richard Sanders
- VIII. PRESIDENTS REPORT**
- IX. CHAIRMAN'S REPORT**
- X. AUDIENCE PARTICIPATION**
- XI. ADJOURNMENT**

**MOTIONS PASSED AT THE SPECIAL CALLED BOARD MEETING, Friday Feb 25, 2022**

Approved Action Item A  
**Ms. Pease/Mr. Chester**

SPECIAL CALLED BOARD MEETING

Panama City Beach Convention & Visitors Bureau, Inc.

Panama City Beach

Friday, February 25, 2022

10:30 a.m.

Panama City Beach Visitor's Center Conf Rm

**I. CALL MEETING TO ORDER**

Chairman Bailey called the meeting to order at 10:30 a.m.

**II. ROLL CALL**

Seven members were present with two absent:

Mr. Patronis & Mr. Griffiths

**A. Invocation**

Mr. Wilkes gave the Invocation.

**B. Pledge of Allegiance**

Ms. Pease led the Pledge of Allegiance.

**III. REQUESTS TO ADDRESS THE BOARD ON AGENDA ITEMS (3 Minutes)**

None

**IV. ACTION ITEM**

- A. Discuss and consider for approval a sponsorship agreement for the Sports Park and UNwineD, Dan Rowe and J Michael Brown

Mr. Rowe gave a summary of the PCB Sports Park naming rights process and that the park will go forward as the Publix Sports Park. He discussed the people and organizations involved, recognized them, and thanked them for all their hard work.

Also, Mr. J. Michael Brown summarized the work done by all who were involved and highlighted and thanked specific people for their hard work.

Representatives from Publix spoke expressing their excitement for the sponsorship and success of the park.

The CVB/TDC Board members also spoke expressing their excitement for the Publix Sports Park and thanked all parties involved.

**Ms. Pease made the motion; seconded by Mr. Chester. Motion passed with unanimous vote.**

**V. AUDIENCE PARTICIPATION**

NONE

**VI. ADJOURNMENT**

Respectfully submitted,  
Sharon Cook, Recording Secretary

**MOTIONS PASSED AT THE COMBINED BOARD MEETING, Tuesday, March 08, 2022**

Approved December 2021 & January 2022 Minutes  
**Mr. Walsingham/Mr. Casto**

Approved Consent Agenda  
**Mr. Phillips/Ms. Pease**

COMBINED BOARD MEETING  
Bay County Tourist Development Council  
Panama City Beach Convention & Visitors Bureau, Inc.  
Panama City Beach

Tuesday, March 08, 2022

9:00 a.m.

Council Room, PCB City Hall

**I. CALL MEETING TO ORDER**

Chairman Bailey called the meeting to order at 9:00 a.m.

**II. ROLL CALL**

Eight Members Present with one Absent:

Buddy Wilkes

A. Invocation

Mr. Chester gave the Invocation.

B. Pledge of Allegiance

Ms. Pease led the Pledge of Allegiance.

C. Approve December 2021 & January 2022 Minutes

**Mr. Walsingham moved; seconded by Mr. Casto to approve**

**Motion passed with unanimous vote**

**III. REQUESTS TO ADDRESS THE BOARD ON AGENDA ITEMS (3 Minutes)**

None

**IV. CONSENT AGENDA**

Mr. Rowe read the Consent Agenda into the record.

A. Acknowledge the receipt of the January 2022 Tourist Development Tax Collections Report

**Mr. Phillips moved; seconded by Ms. Pease to approve the Consent Agenda.**

**Motion passed with unanimous vote.**

**V. PRESENTATIONS**

A. 4<sup>th</sup> Quarter Visitor Profile report, Mr. Berkeley Young

Mr. Young reviewed the 4<sup>th</sup> quarter visitor profile as well as the year end data. He reviewed the data sources and how that data collected is used in the visitor reports. He discussed the effect the sports park has had on first time visitors to the destination and that return travel is on the visitor surveys. He also said that the visitor satisfaction level remained high for Fall 2021, even with staff shortages in the area. Also discussed, the effect of the pandemic, people still working from home traveling, gas prices, and the performance of other panhandle destinations.

**VI. DISCUSSION ITEMS**

A. Sports Center Update, Mr. Dan Rowe

Mr. Rowe stated that the indoor sports center is proceeding. He said that an RFQ is in process for an architecture firm to assist in the blue skies design and function. The final approval of that company will be done by the CVB at a future meeting. The naming rights and other sponsorship price points is being addressed with the assistance of sports park sponsorship specialist company, Integrity Nine, as well as our current sports park management company, SFM.

He introduced Mr. Higgins, the new General Manager of the Publix Sports Park.

He answered questions from the board regarding the type of architect to be needed for all uses of the indoor center. He stated that the RFQ is written so that only qualified companies who have the right experience will qualify. He also said that all of the gray sky uses will also be addressed as a requirement in the RFQ.

Also discussed was the uniqueness of this facility operating for sports, meetings, and an emergency operations center.

Mr. Sale reviewed the funding sources requirements for tracking from design through construction, ie FEMA, will be included in all aspects of this project.

Mr. Rowe stated it could be two years for this to be completed. He stated that there is space to add on to the building in the future for expansion.

Mr. Sale stated this will be a county project during construction.

Mr. Rowe said that this facility will be able to be used by the school and will allow the Walsingham Academy to expand to a K-8 school in the future.

#### **VII. PRESIDENTS REPORT**

Mr. Rowe recognized Mr. Richard Sanders as being given an award by the PCB Chamber of Commerce. The award was the Pioneer Award, for him building sports tourism in PCB and the amazing effect of that for the local economy.

He reviewed the landscaping project as well as the sign and gateway to the Sports Park and the beach renourishment project. He stated that he is working with the county regarding vehicle beach access points. He also said that he would bring back to the board a proposal to change the sand borrow areas for renourishment projects.

Mr. Rowe stated that Mojo sportswear lawsuit has been settled.

He also announced that UnWineD is upcoming and is sponsored by Southern Living Magazine and Publix.

Mr. Phillips asked if the CVB was involved with Thunder Beach concerts, other than the usual sponsorship. Mr. Rowe stated that the CVB marketing team has been engaged with the event right holders in terms of their messaging and how they are positioning things. He said we were not involved in underwriting those concerts or paying for those concerts, as we (the CVB) has the standard sponsorship in place. The CVB involvement has not changed.

#### **VIII. CHAIRMAN'S REPORT**

Mr. Bailey congratulated Mr. Sanders and Larry Thompson for their awards from the Chamber. He also recognized the tremendous effort of first responders during the historic fires being worked. Mr. Griffiths give an update regarding those fires. The Board had a discussion of the efforts to contain these fires. Mr. Bailey also thanked the PCB police chief for their efforts during spring break.

Mr. Rowe added that the upcoming week was the start of College Club Baseball, which is project that Mr. Sanders has been working on for 10 years. This tournament was in Tampa, but thanks to Mr. Sanders, is now coming to PCB.

#### **IX. AUDIENCE PARTICIPATION**

**NONE**

#### **X. ADJOURNMENT**

Respectfully submitted,  
Sharon Cook, Recording Secretary

**MOTIONS PASSED AT THE SPECIAL CALLED BOARD MEETING, Friday March 18, 2022**

Approved Action Item A

**Mr. Walsingham/Ms. Pease**

SPECIAL CALLED BOARD MEETING

Panama City Beach Convention & Visitors Bureau, Inc.

Panama City Beach

Friday, March 18, 2022

08:45 a.m.

Panama City Beach Visitor's Center Conf Rm

**I. CALL MEETING TO ORDER**

Chairman Bailey called the meeting to order at 8:45 a.m.

**II. ROLL CALL**

Eight members were present with the follow one absent:

Mr. Patronis

**A. Invocation**

Mr. Wilkes gave the Invocation.

**B. Pledge of Allegiance**

Ms. Pease led the Pledge of Allegiance.

**III. REQUESTS TO ADDRESS THE BOARD ON AGENDA ITEMS (3 Minutes)**

None

**IV. ACTION ITEM**

A. Discuss and consider for approval entering into an agreement with Sports Facilities Companies to serve a Lessee Representative for the Panama City Beach Sports & Events Center, Mr. Dan Rowe

Mr. Rowe gave a summary of the PCB Sports & Events Center RFQ process and the results. He also discussed the possible uses for the facility and how the Sports Facilities Companies met the need stated in the RFQ and asked for the Board to approve them as the Lessee Representative to serve on a time-involved basis at rates and terms negotiated by the President and Chairman not exceeding the rates furnished the board today, attached, with the understanding that either side may quit at any time.

**Mr. Walsingham made the motion; seconded by Ms. Pease. Motion passed with unanimous vote.**

**V. AUDIENCE PARTICIPATION**

NONE

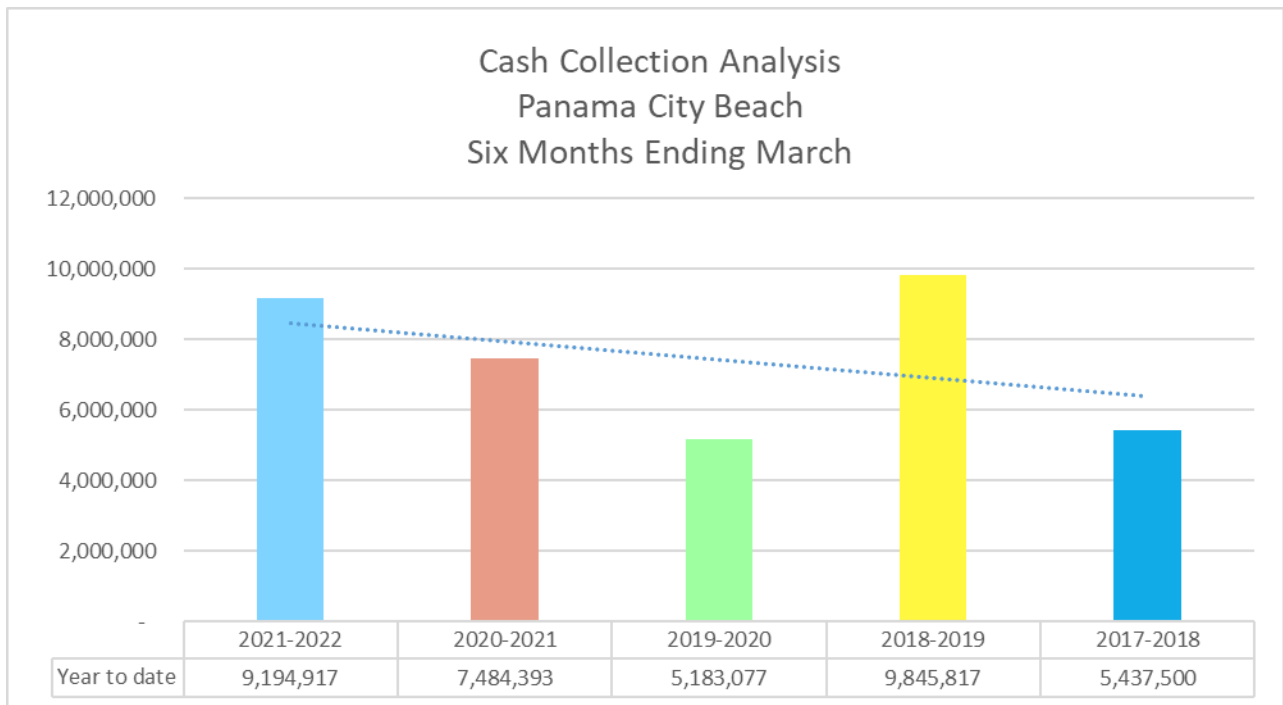
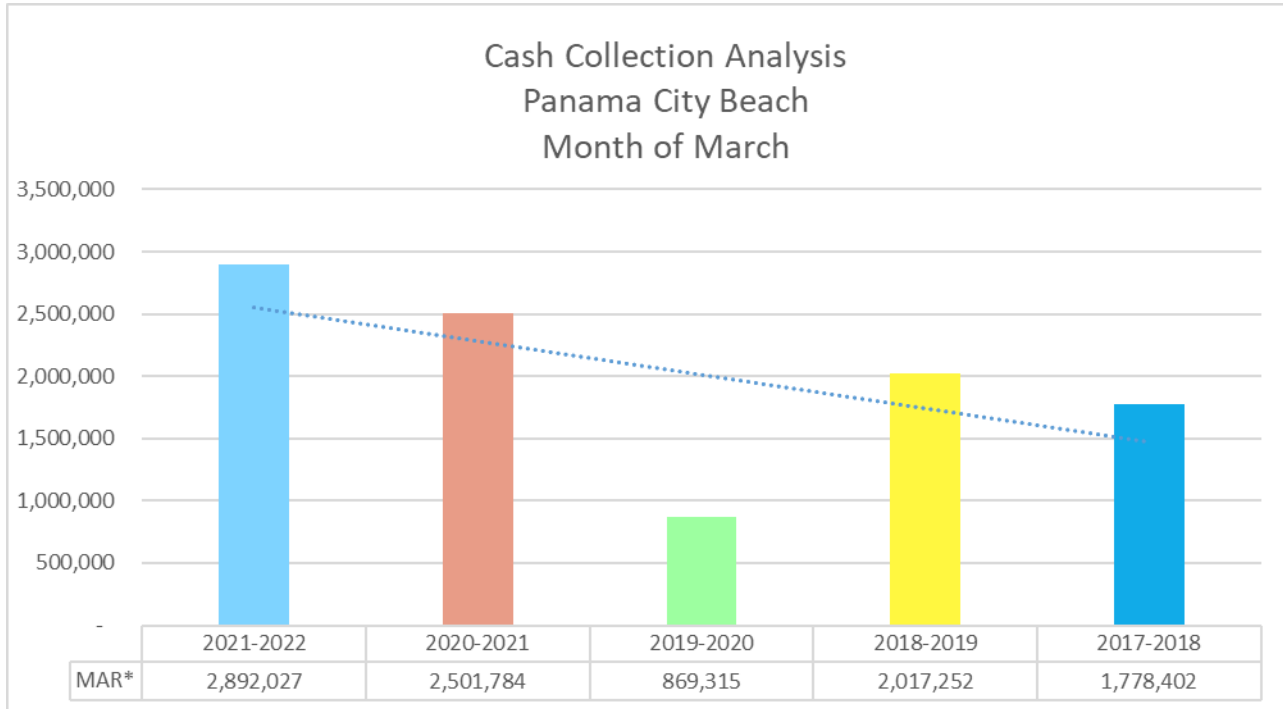
**VI. ADJOURNMENT**

Respectfully submitted,  
Sharon Cook, Recording Secretary





## Tourist Development Tax, Bay County, Florida



**Bay County Tourist Development Tax, Post Office Box 1230, Panama City, Florida 32402**

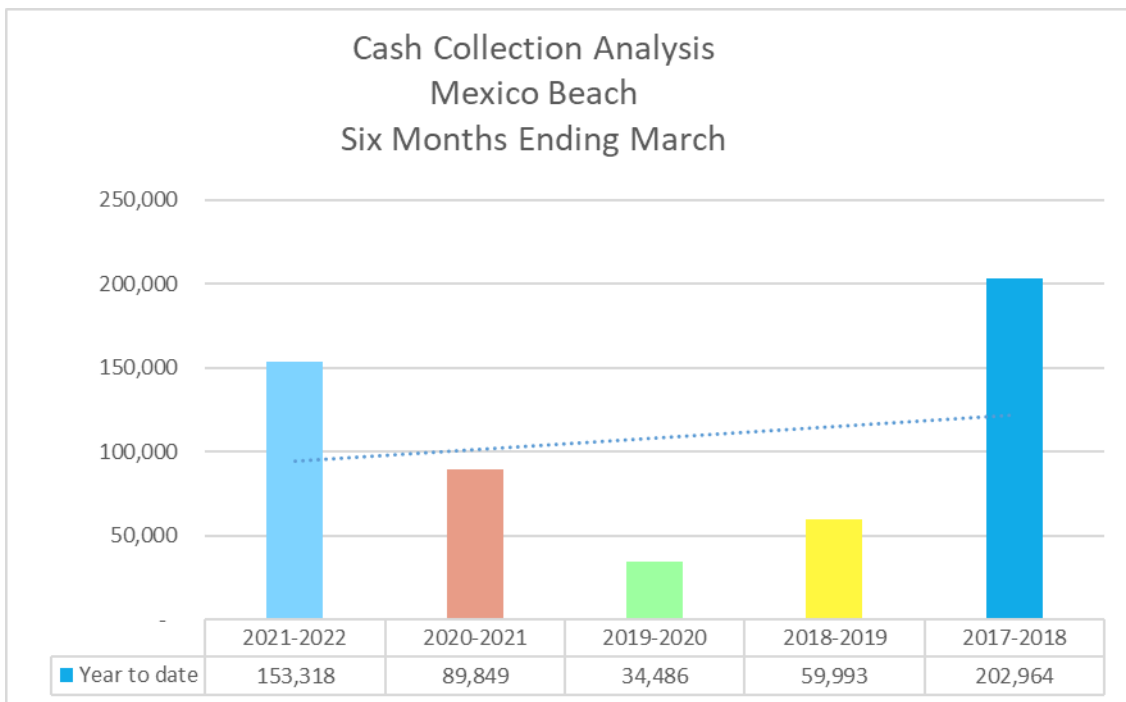
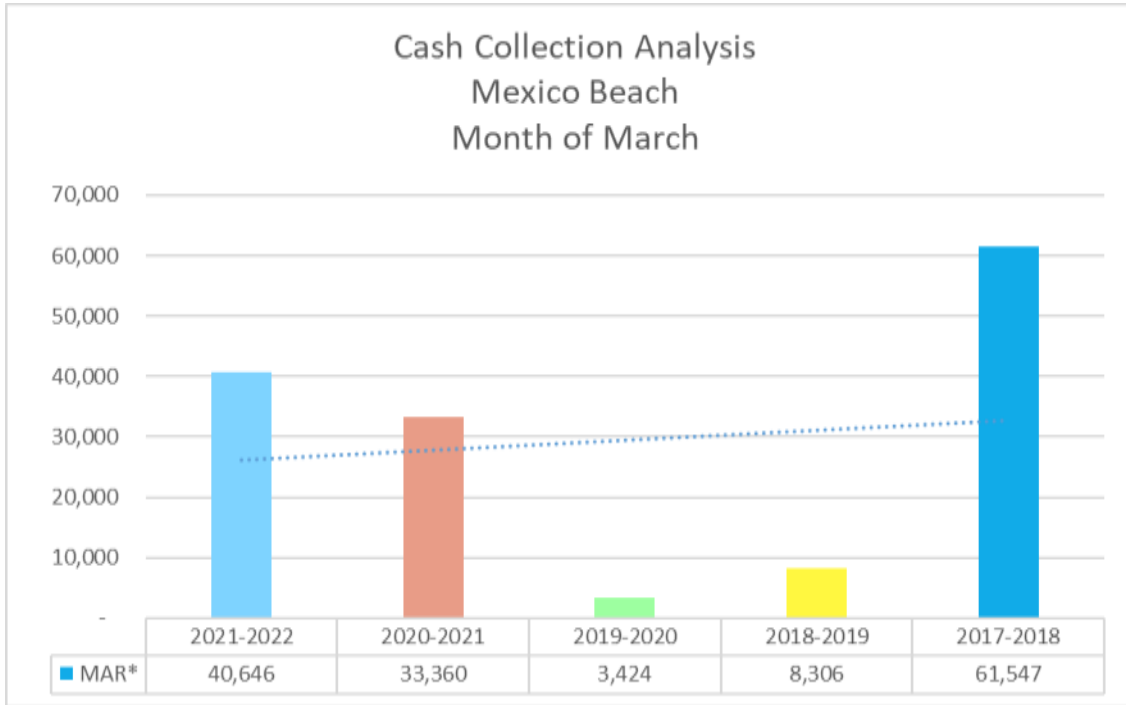
**Express Delivery: 225 McKenzie Ave, Panama City, Florida 32401**

**Phone: (850) 747-5226 Fax: (850) 747-5212**

**Visit us at: <https://TDC.BayCoClerk.com/TouristTax/> Email: [TDC@BayCoClerk.com](mailto:TDC@BayCoClerk.com)**



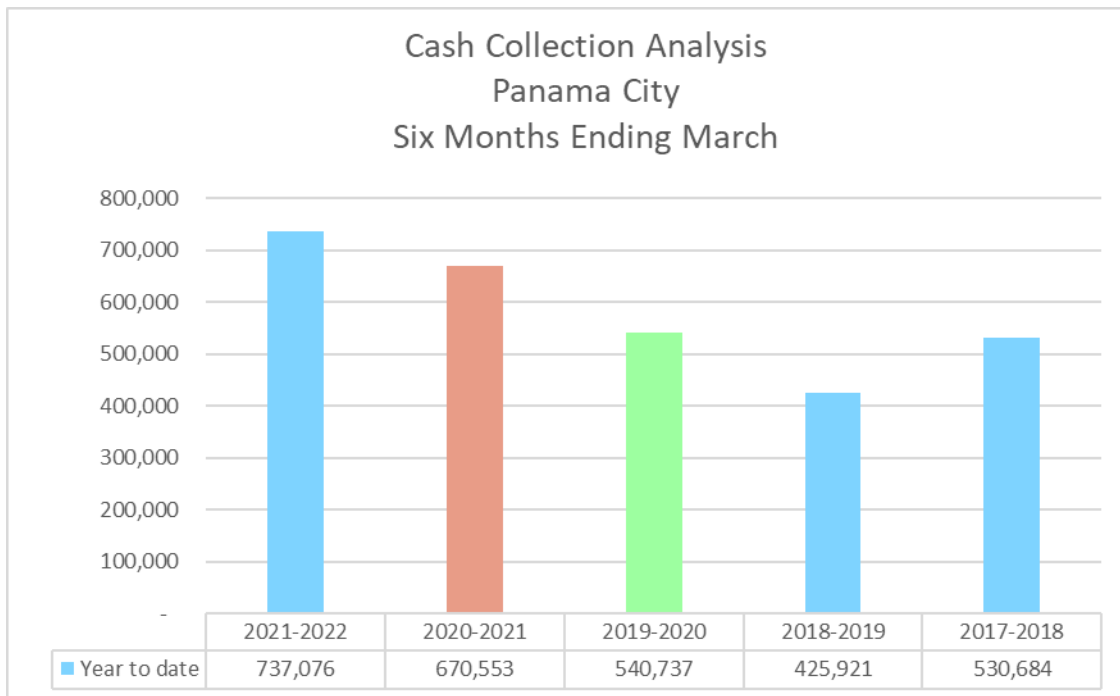
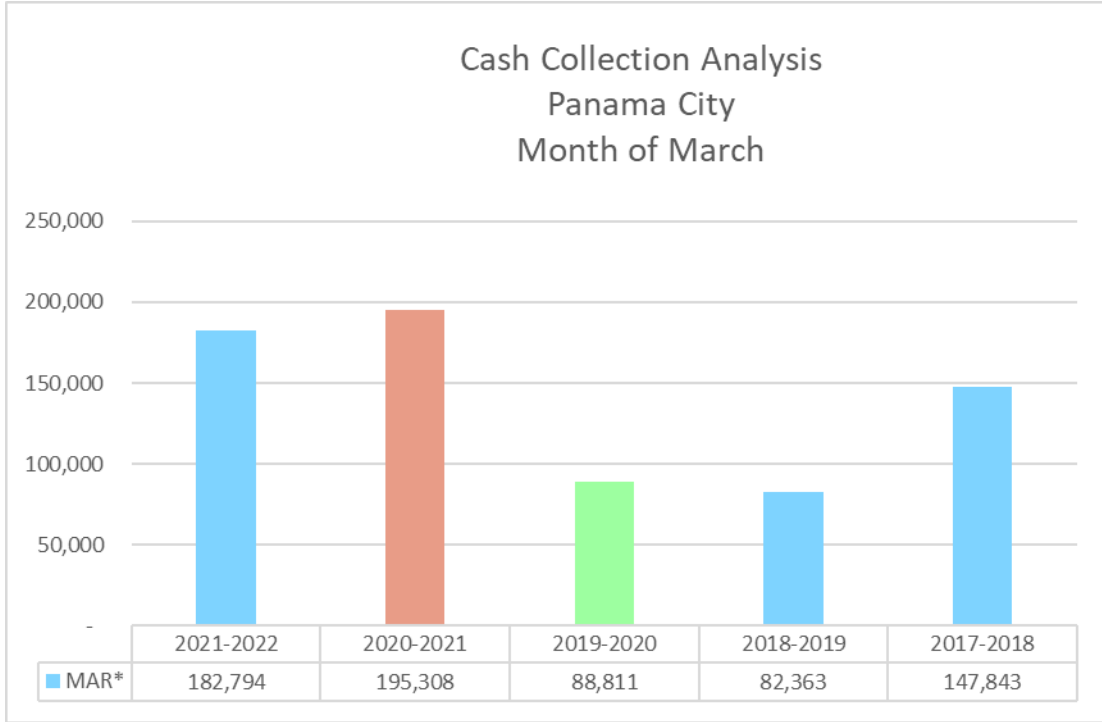
## Tourist Development Tax, Bay County, Florida



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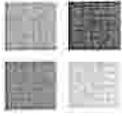
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**PANAMA CITY BEACH CONVENTION & VISITORS BUREAU, INC.**  
**PANAMA CITY BEACH, FLORIDA**  
**FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS AND SIX MONTHS ENDED MARCH 31, 2022**

**PANAMA CITY BEACH CONVENTION & VISITORS BUREAU, INC.**  
**PANAMA CITY BEACH, FLORIDA**  
**FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS AND SIX MONTHS ENDED MARCH 31, 2022**

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Panama City Beach Convention & Visitors Bureau, Inc.  
Panama City Beach, Florida

Management is responsible for the accompanying financial statements of Panama City Beach Convention & Visitors Bureau, Inc. (a corporation), which comprise the statement of financial position as of March 31, 2022 and the related statements of activities for the three months and six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying budget information of Panama City Beach Convention & Visitors Bureau, Inc. for the year ending September 30, 2022, that is presented in comparison with the statement of activities has not been compiled or examined by us, and, accordingly, we do not express an opinion or any other form of assurance on it.

The accompanying supplementary information (Schedule of Activities – Budget Comparison – Sports Park Department) is presented for purposes of additional analysis and is not a required party of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has elected to omit substantially all of the disclosures, the statement of cash flows, and the statement of functional expenses required by accounting principles generally accepted in the United States of America for financial statements and the summaries of significant assumptions and accounting policies required under established guidelines for presentation of prospective financial information (budget). If the omitted disclosures, the statement of cash flows, and the statement of functional expenses were included in the financial statements, and the omitted summaries were included in the budgeted information, they might influence the user's conclusions about the Bureau's financial position, results of operations, and budgeted revenues and expenses. Accordingly, the accompanying presentation is not designed for those who are not informed about such matters.

*Tipton, Marler, Garner & Chastain*

Panama City, Florida

May 2, 2022

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**Panama City Beach Convention and Visitor Bureau  
Balance Sheet  
As of March 31, 2022**

	Total
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
101801 Cash - Operating Account	603,269.68
101905 Trustmark Bank	3,962,171.32
Shopify Bank account	(0.01)
Stripe Bank account	(13,347.77)
10100 Trustmark Operating - SP	352,949.82
10400 Trustmark Advance Deposits - SP	11,014.19
10600 Petty Cash - SP	200.00
10700 Vault Safe Cash - SP	15,000.00
Total Bank Accounts	\$ 4,931,257.23
Accounts Receivable	
110000 Accounts Receivable (A/R)	172,537.22
11000 Accounts Receivable - SP	48,618.82
11100 Due From Bay County - SP	80.00
Total Accounts Receivable	\$ 221,236.04
Other Current Assets	
12200 Food & Beverage Inventory - SP	13,558.75
13300 Undeposited Funds - SP	(2.99)
155000 Other Current Assets	543.97
155100 Prepaid Expenses	97,000.00
Total Other Current Assets	\$ 111,099.73
Total Current Assets	\$ 5,263,593.00
Fixed Assets	
15700 Building Improvements - SP	8,201.40
166901 Equipment	45,000.68
166905 Sports Park Equipment	31,300.00
167901 Boat	95,000.00
16000 Accumulated Depreciation - SP	(205.04)
170000 Accumulated Depreciation	(53,367.15)
Total Fixed Assets	\$ 125,929.89
Other Assets	
180000 Deferred Outflows-OPEB	4,031.00
Total Other Assets	\$ 4,031.00
<b>TOTAL ASSETS</b>	<b>\$ 5,393,553.89</b>

**Panama City Beach Convention and Visitor Bureau  
Balance Sheet  
As of March 31, 2022**

**LIABILITIES AND EQUITY**

Liabilities

Current Liabilities

Accounts Payable

21000 Accounts Payable - SP	1,232.60
201000 Accounts Payable (A/P)	496,487.60
21100 Credit Cards Payable - SP	4,453.63

Total Accounts Payable \$ 502,173.83

Other Current Liabilities

23000 Sales Tax Payable - SP	10,055.78
22000 Accrued Expenses - SP	21,529.36
210100 Accrued Vacation	197,552.48
22100 Accrued Payroll Expenses - SP	6,354.35
217210 Employee Flexible Spend Acct	(291.46)
27000 Deferred Revenue - SP	165,487.03
223100 Deferred Revenue	97,000.00
28300 Liability Under Review	58.00
Fla DOR Sales Tax	5,700.81
Florida, Panama City Beach Payable	814.40

Total Other Current Liabilities \$ 504,260.75

Total Current Liabilities \$ 1,006,434.58

Long-Term Liabilities

224000 OPEB Obligation	105,790.00
224001 Deferred Inflows - OPEB	136,525.00
29700 Working Capital Adv from County	250,000.00

Total 230000 PPP loan \$ 250,000.00

Total Long-Term Liabilities \$ 492,315.00

Total Liabilities \$ 1,498,749.58

Net Assets

32000 Without Donor Restrictions	4,002,346.56
Net Income(Loss)	(107,542.25)

Total Net Assets \$ 3,894,804.31

**TOTAL LIABILITIES AND NET ASSETS \$ 5,393,553.89**



**Panama City Beach Convention and Visitor Bureau  
Statement of Activities  
For the Three Months and Six Months Ending March 31, 2022**

	QUARTER	YTD
Income		
312000 County Contract Revenue		
312110 Bay Cty Fund 125 TDC Contract	3,558,814.93	5,762,287.42
347200 Contract Revenue Sports Park	168,014.96	461,862.86
312120 Fund 127 Revenues	0.00	150,000.00
Total 312000 County Contract Revenue	3,726,829.89	6,374,150.28
330000 Other Funding		
338100 Film Commission BCC	0.00	30,000.00
Total 330000 Other Funding	0.00	\$ 30,000.00
340000 Service Fee and Event income		
345910 Co-Op	4,975.00	7,725.00
345915 Visitor Guide	43,506.22	43,506.22
345920 Fees from Web Site	3,855.31	9,205.23
345941 Event Income	80,857.94	83,559.36
345950 Corp & Event Sponsorship Income	152,500.00	158,500.00
Total 340000 Service Fee and Event income	285,694.47	302,495.81
361100 Interest Income	1,943.67	4,637.53
369000 Miscellaneous Income	9,750.00	9,750.00
41995 Interest Income - Sports Park	167.44	368.31
Total Income	4,024,385.47	6,721,401.93
Cost of Goods Sold - Sports Park	61,871.42	\$ 164,478.74
Gross Profit	3,962,514.05	6,556,923.19
Expenses		
600000 Operations		
601200 Salaries	339,522.33	676,387.69
602100 Payroll Taxes	26,045.65	49,294.29
602200 401k Program	11,854.20	24,212.82
602300 Insurance Employees	76,599.21	132,632.98
602400 Workers Compensation	0.00	(177.00)
603101 Professional Services	7,349.22	10,672.59
603105 Legal Services	19,366.15	26,791.72
603201 Accounting Services	1,921.00	1,921.00
603202 Annual Audit	11,000.00	21,000.00
603230 Film Commission	11,250.00	22,500.00
604010 Meetings, Seminars & Travel	1,952.59	5,504.71
604020 Mileage Reimbursement	1,154.36	2,594.06
604030 Auto Allowance	1,500.00	3,000.00
604101 Communication	1,347.07	2,002.09
604201 Postage & Freight	124,824.87	131,412.85
604501 Insurance-Bus, D&O, Work Comp	233.00	3,788.00

**Panama City Beach Convention and Visitor Bureau  
Statement of Activities  
For the Three Months and Six Months Ending March 31, 2022**

604810 Promotional Items	20,815.47	32,817.85
604820 Repairs and Maintenance	6,163.71	12,241.42
604870 Surveys & Research	24,466.53	67,316.52
604920 Community/Employee Relations	10,168.67	9,724.93
604990 Miscellaneous Admin Expense	383.71	862.86
605101 Office Supplies	4,321.12	6,509.27
605215 Uniforms	671.95	864.62
605402 Dues & Subscriptions	2,560.55	91,658.04
605510 Training & Development	3,715.05	3,715.05
Total 600000 Operations	<u>709,186.41</u>	<u>\$ 1,339,248.36</u>
610000 Marketing		
613100 Agency Retainer	65,708.00	185,430.00
613105 Advertising Incidental	4,275.04	4,792.83
613430 Advertising	1,065,239.11	1,272,203.86
613432 Advertising Co-Op Sp Events	0.00	67,338.25
613435 Advertising-Co op	899.99	6,899.99
613450 Advertising Production	89,025.51	260,195.85
613455 Advertising FCNCC/Oil Spill	0.00	51,650.00
614010 Meeting/Seminars/Travel	7,495.07	18,876.35
614201 Postage & Freight	118.24	118.24
614520 Interactive Marketing	333,499.20	685,252.09
614701 Printing Cost	17,026.95	19,706.39
614820 Public Relations	84,108.99	129,268.70
614825 Public Relations-Int'l	221.59	644.50
614870 Familiarization Tours Inbound	19,644.35	22,131.61
615402 Dues & Subscriptions	1,188.14	1,979.95
Total 610000 Marketing	<u>1,688,450.18</u>	<u>\$ 2,726,488.61</u>
620000 Sales		
623460 Citywide Convention Expenses	36.55	34,910.20
623475 Collateral	704.25	1,541.50
624001 Tradeshows	18,219.30	43,611.60
624010 Travel & Entertainment	14,693.69	17,750.76
624810 Promo Sales Materials	0.00	816.79
624825 International	3,339.28	3,618.66
624850 Sponsorships	5,030.25	10,289.96
624870 Familiarization Tours-Inbound	0.00	2,202.92
625402 Dues & Subscriptions	354.00	27,721.00
626401 Tradeshow Displays	29,324.78	34,736.32
Total 620000 Sales	<u>71,702.10</u>	<u>\$ 177,199.71</u>
630000 Special Events		
634010 Travel & Entertainment	48.16	127.52
634850 Sponsorships	97,984.54	204,684.54
634905 Festivals & Events	385,024.84	707,749.73
635402 Dues and Subscriptions	246.00	696.00

**Panama City Beach Convention and Visitor Bureau  
Statement of Activities  
For the Three Months and Six Months Ending March 31, 2022**

636401 Equipment	1,779.05	55,538.66
Total 630000 Special Events	<u>485,082.59</u>	<u>\$ 968,796.45</u>
640000 Visitor Services		
644850 Sponsorships	5,000.00	11,000.00
644905 Visitor Services Events	21,656.06	27,084.39
644920 Community Relations	0.00	6,058.16
645201 Visitor Center Supplies	360.00	9,261.86
645510 Training & Development	83.40	83.40
Total 640000 Visitor Services	<u>27,099.46</u>	<u>\$ 53,487.81</u>
660000 Sports Marketing		
664001 Travel/Tradeshows	2,115.62	8,959.11
664010 Meetings/Seminar/Travel	567.28	5,653.67
664402 Facility Usage	24,654.58	26,714.58
664850 Sponsorships	19,263.20	55,765.74
664860 Sporting Bid Fees	77,892.04	189,892.04
664870 Familiarization Tours	1,284.44	1,284.44
665402 Dues & Subscriptions	750.00	1,945.00
Total 660000 Sports Marketing	<u>126,527.16</u>	<u>\$ 290,214.58</u>
670000 Beach Renourishment		
673498 Beach Management Contract Labor	42,000.00	63,000.00
675402 Dues & Subscriptions	0.00	500.00
Total 670000 Beach Renourishment	<u>42,000.00</u>	<u>\$ 63,500.00</u>
680000 Community Support		
683405 Development	24,873.00	79,873.00
683410 Advertising	0.00	300.00
Total 680000 Community Support	<u>24,873.00</u>	<u>\$ 80,173.00</u>
690000 Tourism Development		
693466 Chasin The Sun TV	174,231.47	341,622.10
694610 Sports Park Improvements	90,985.00	110,326.35
694701 Visit PCB Magazine-Printing	39,770.00	39,770.00
694800 Sports Park Expenses	8,061.00	17,045.00
694820 Mktng & PR PC and MB	12,600.00	18,900.00
695465 Planning & Development	49,644.97	95,674.57
Total 690000 Tourism Development	<u>375,292.44</u>	<u>\$ 623,338.02</u>
60000 Sports Park Department		
60000 Advertising/Marketing	5,284.47	\$ 19,974.94
60400 Bank & Other Service Charges	6,136.11	\$ 11,059.27
62000 General & Administrative	10,415.19	\$ 15,677.82
63300 Insurance	0.00	\$ 20,463.24
63400 Interest Expense	0.00	\$ 10.53
64000 Supplies & Services	4,867.37	\$ 10,999.40
65000 Contract Labor	158,951.19	\$ 306,291.15
66000 Other Payroll Expenses	2,118.64	\$ 7,062.56
67200 Repairs & Maintenance	56,592.26	\$ 110,587.16

**Panama City Beach Convention and Visitor Bureau  
Statement of Activities  
For the Three Months and Six Months Ending March 31, 2022**

68600 Utilities	<u>62,412.22</u>	<u>\$ 108,931.52</u>
Total 60000 Sports Park Department	<u>306,777.45</u>	<u>\$ 611,057.59</u>
Total Expenses	<u>3,856,990.79</u>	<u>6,933,504.13</u>
49003 Subsidy Income	<u>154,678.69</u>	<u>\$ 269,038.69</u>
Net Income(Loss)	<u>260,201.95</u>	<u>(107,542.25)</u>

**Panama City Beach Convention and Visitor Bureau  
Statement of Activities - Budget Comparison  
For the Six Months Ending March 31, 2022**

	YTD	Budget	Variance
<b>Income</b>			
312000 County Contract Revenue			
312110 Bay Cty Fund 125 TDC Contract	5,762,287.42	11,343,973.00	(5,581,685.58)
312115 Bay Cty Fund 128 contract	0.00	203,024.00	(203,024.00)
312120 Fund 127 Revenues	150,000.00	150,000.00	0.00
347200 Contract Revenue Sports Park	461,862.86	1,519,377.00	(1,057,514.14)
312210 Excess collections prior year	0.00	1,854,275.00	(1,854,275.00)
312220 CVB Unrestricted Cash	0.00	3,337,313.00	(3,337,313.00)
312230 Unrecognized PY funds	0.00	3,621,765.00	(3,621,765.00)
<b>Total 312000 County Contract Revenue</b>	<b>\$ 6,374,150.28</b>	<b>\$ 22,029,727.00</b>	<b>(15,655,576.72)</b>
330000 Other Funding			
336910 Grants	0.00	65,000.00	(65,000.00)
338100 Film Commission BCC	30,000.00	30,000.00	0.00
<b>Total 330000 Other Funding</b>	<b>30,000.00</b>	<b>95,000.00</b>	<b>(65,000.00)</b>
340000 Service Fee and Event income			
345910 Co-Op	7,725.00	40,000.00	(32,275.00)
345915 Visitor Guide	43,506.22	45,000.00	(1,493.78)
345920 Fees from Web Site	9,205.23	2,000.00	7,205.23
345941 Event Income	83,559.36	125,000.00	(41,440.64)
345950 Corp & Event Sponsorship Income	158,500.00	75,000.00	83,500.00
<b>Total 340000 Service Fee and Event income</b>	<b>\$ 302,495.81</b>	<b>\$ 287,000.00</b>	<b>\$ 15,495.81</b>
361100 Interest Income	4,637.53	7,000.00	(2,362.47)
41995 Interest Income - Sports Park	368.31	600.00	(231.69)
369000 Miscellaneous Income	9,750.00	5,000.00	4,750.00
<b>Total Income</b>	<b>6,721,401.93</b>	<b>22,424,327.00</b>	<b>(15,702,925.07)</b>
Cost of Goods Sold - Sports Park	\$ 164,478.74	\$ 473,363.00	308,884.26
<b>Gross Profit</b>	<b>6,556,923.19</b>	<b>21,950,964.00</b>	<b>(16,011,809.33)</b>
<b>Expenses</b>			
600000 Operations			
601200 Salaries	676,387.69	1,600,000.00	(923,612.31)
602100 Payroll Taxes	49,294.29	128,000.00	(78,705.71)
602200 401k Program	24,212.82	96,000.00	(71,787.18)
602300 Insurance Employees	132,632.98	235,200.00	(102,567.02)
602400 Workers Compensation	-177.00	5,000.00	(5,177.00)
603101 Professional Services	10,672.59	12,000.00	(1,327.41)
603105 Legal Services	26,791.72	50,000.00	(23,208.28)
603201 Accounting Services	1,921.00	12,000.00	(10,079.00)
603202 Annual Audit	21,000.00	22,000.00	(1,000.00)
603230 Film Commission	22,500.00	45,000.00	(22,500.00)
603410 Advertising & Fees	0.00	200.00	(200.00)

**Panama City Beach Convention and Visitor Bureau  
Statement of Activities - Budget Comparison  
For the Six Months Ending March 31, 2022**

604010 Meetings, Seminars & Travel	5,504.71	20,000.00	(14,495.29)
604020 Mileage Reimbursement	2,594.06	12,000.00	(9,405.94)
604030 Auto Allowance	3,000.00	6,000.00	(3,000.00)
604101 Communication	2,002.09	3,500.00	(1,497.91)
604201 Postage & Freight	131,412.85	75,000.00	56,412.85
604501 Insurance-Bus, D&O, Work Comp	3,788.00	10,000.00	(6,212.00)
604701 Printing	0.00	1,000.00	(1,000.00)
604810 Promotional Items	32,817.85	40,000.00	(7,182.15)
604820 Repairs and Maintenance	12,241.42	26,000.00	(13,758.58)
604870 Surveys & Research	67,316.52	275,000.00	(207,683.48)
604920 Community/Employee Relations	9,724.93	10,000.00	(275.07)
604990 Miscellaneous Admin Expense	862.86	2,500.00	(1,637.14)
605101 Office Supplies	6,509.27	10,000.00	(3,490.73)
605215 Uniforms	864.62	5,000.00	(4,135.38)
605225 Volunteer Recognition	0.00	1,000.00	(1,000.00)
605402 Dues & Subscriptions	91,658.04	120,000.00	(28,341.96)
605510 Training & Development	3,715.05	5,000.00	(1,284.95)
609910 Contingency	0.00	10,000.00	(10,000.00)
<b>Total 600000 Operations</b>	<b>1,339,248.36</b>	<b>2,837,400.00</b>	<b>(1,498,151.64)</b>
<b>610000 Marketing</b>			
613100 Agency Retainer	185,430.00	394,254.00	(208,824.00)
613105 Advertising Incidental	4,792.83	50,000.00	(45,207.17)
613430 Advertising	1,272,203.86	5,725,000.00	(4,452,796.14)
613432 Advertising Co-Op Sp Events	67,338.25	1,310,000.00	(1,242,661.75)
613435 Advertising-Co op	6,899.99	50,000.00	(43,100.01)
613450 Advertising Production	260,195.85	700,000.00	(439,804.15)
613455 Advertising FCNCC/Oil Spill	51,650.00	0.00	51,650.00
614010 Meeting/Seminars/Travel	18,876.35	20,000.00	(1,123.65)
614201 Postage & Freight	118.24	0.00	118.24
614520 Interactive Marketing	685,252.09	525,000.00	160,252.09
614701 Printing Cost	19,706.39	40,000.00	(20,293.61)
614820 Public Relations	129,268.70	253,908.00	(124,639.30)
614825 Public Relations-Int'l	644.50	25,000.00	(24,355.50)
614870 Familiarization Tours Inbound	22,131.61	60,000.00	(37,868.39)
615402 Dues & Subscriptions	1,979.95	10,000.00	(8,020.05)
619910 Contingency	0.00	25,000.00	(25,000.00)
<b>Total 610000 Marketing</b>	<b>2,726,488.61</b>	<b>9,188,162.00</b>	<b>(6,461,673.39)</b>
<b>620000 Sales</b>			
623460 Citywide Convention Expenses	34,910.20	60,000.00	(25,089.80)
623475 Collateral	1,541.50	7,000.00	(5,458.50)
624001 Tradeshows	43,611.60	125,000.00	(81,388.40)
624010 Travel & Entertainment	17,750.76	65,000.00	(47,249.24)
624810 Promo Sales Materials	816.79	0.00	816.79
624825 International	3,618.66	10,000.00	(6,381.34)

**Panama City Beach Convention and Visitor Bureau  
Statement of Activities - Budget Comparison  
For the Six Months Ending March 31, 2022**

624850 Sponsorships	10,289.96	30,000.00	(19,710.04)
624870 Familiarization Tours-Inbound	2,202.92	40,000.00	(37,797.08)
625402 Dues & Subscriptions	27,721.00	34,000.00	(6,279.00)
626401 Tradeshow Displays	34,736.32	25,000.00	9,736.32
629910 Contingency	0.00	10,000.00	(10,000.00)
<b>Total 620000 Sales</b>	<b>177,199.71</b>	<b>406,000.00</b>	<b>(228,800.29)</b>
<b>630000 Special Events</b>			
634010 Travel & Entertainment	127.52	10,000.00	(9,872.48)
634850 Sponsorships	204,684.54	482,500.00	(277,815.46)
634905 Festivals & Events	707,749.73	955,000.00	(247,250.27)
635402 Dues and Subscriptions	696.00	3,000.00	(2,304.00)
636401 Equipment	55,538.66	95,000.00	(39,461.34)
639910 Contingency	0.00	20,000.00	(20,000.00)
<b>Total 630000 Special Events</b>	<b>968,796.45</b>	<b>1,565,500.00</b>	<b>(596,703.55)</b>
<b>640000 Visitor Services</b>			
643498 Contract Labor	0.00	10,000.00	(10,000.00)
644010 Travel	0.00	2,400.00	(2,400.00)
644850 Sponsorships	11,000.00	15,000.00	(4,000.00)
644905 Visitor Services Events	27,084.39	175,000.00	(147,915.61)
644920 Community Relations	6,058.16	0.00	6,058.16
645201 Visitor Center Supplies	9,261.86	15,000.00	(5,738.14)
645510 Training & Development	83.40	2,400.00	(2,316.60)
649910 Contingency	0.00	7,500.00	(7,500.00)
<b>Total 640000 Visitor Services</b>	<b>53,487.81</b>	<b>227,300.00</b>	<b>(173,812.19)</b>
<b>660000 Sports Marketing</b>			
663440 Awards/Appreciation	0.00	500.00	(500.00)
664001 Travel/Tradeshows	8,959.11	18,000.00	(9,040.89)
664010 Meetings/Seminar/Travel	5,653.67	27,500.00	(21,846.33)
664402 Facility Usage	26,714.58	167,500.00	(140,785.42)
664830 Signage	0.00	2,000.00	(2,000.00)
664850 Sponsorships	55,765.74	166,000.00	(110,234.26)
664860 Sporting Bid Fees	189,892.04	446,000.00	(256,107.96)
664870 Familiarization Tours	1,284.44	10,000.00	(8,715.56)
665402 Dues & Subscriptions	1,945.00	7,500.00	(5,555.00)
666401 Tradeshow Booth	0.00	5,000.00	(5,000.00)
669910 Contingency	0.00	25,000.00	(25,000.00)
<b>Total 660000 Sports Marketing</b>	<b>290,214.58</b>	<b>875,000.00</b>	<b>(584,785.42)</b>
<b>670000 Beach Renourishment</b>			
673498 Beach Management Contract Labor	63,000.00	126,000.00	(63,000.00)
675402 Dues & Subscriptions	500.00	1,000.00	(500.00)
679910 Contingency	0.00	23,000.00	(23,000.00)
<b>Total 670000 Beach Renourishment</b>	<b>63,500.00</b>	<b>150,000.00</b>	<b>(86,500.00)</b>
<b>680000 Community Support</b>			
683405 Development	79,873.00	250,000.00	(170,127.00)

**Panama City Beach Convention and Visitor Bureau  
Statement of Activities - Budget Comparison  
For the Six Months Ending March 31, 2022**

683410 Advertising	300.00	0.00	300.00
Total 680000 Community Support	<u>80,173.00</u>	<u>250,000.00</u>	<u>(169,827.00)</u>
690000 Tourism Development			
693450 Visit PCB Magazine-Production	0.00	50,000.00	(50,000.00)
693466 Chasin The Sun TV	341,622.10	525,000.00	(183,377.90)
694610 Sports Park Improvements	110,326.35	0.00	110,326.35
694701 Visit PCB Magazine-Printing	39,770.00	140,000.00	(100,230.00)
694800 Sports Park Expenses	17,045.00	0.00	17,045.00
694810 Sports Park 1099 passthu	0.00	0.00	0.00
694820 Mktng & PR PC and MB	18,900.00	250,000.00	(231,100.00)
695465 Planning & Development	95,674.57	4,439,988.00	(4,344,313.43)
Total 690000 Tourism Development	<u>623,338.02</u>	<u>5,404,988.00</u>	<u>(4,781,649.98)</u>
60000 Sports Park Department			
60000 Advertising/Marketing	19,974.94	18,400.00	1,574.94
60400 Bank & Other Service Charges	11,059.27	23,100.00	(12,040.73)
62000 General & Administrative	15,677.82	24,062.00	(8,384.18)
63300 Insurance	20,463.24	30,038.00	(9,574.76)
63400 Interest Expense	10.53	0.00	10.53
61000 Legal & Professional Fees	0.00	726.00	(726.00)
64000 Supplies & Services	10,999.40	21,380.00	(10,380.60)
65000 Contract Labor	306,291.15	633,516.00	(327,224.85)
66000 Other Payroll Expenses	7,062.56	12,000.00	(4,937.44)
67200 Repairs & Maintenance	110,587.16	246,610.00	(136,022.84)
68600 Utilities	108,931.52	211,048.00	(102,116.48)
Total 60000 Sports Park Department	<u>\$ 611,057.59</u>	<u>\$ 1,220,880.00</u>	<u>(609,822.41)</u>
Total Expenses	<u>6,933,504.13</u>	<u>22,125,230.00</u>	<u>(15,191,725.87)</u>
Subsidy Income - County	<u>\$ 269,038.69</u>	<u>\$ 0.00</u>	<u>(269,038.69)</u>
Net Income(Loss)	<u>\$ (107,542.25)</u>	<u>\$ (174,266.00)</u>	<u>66,723.75</u>



**Panama City Beach Convention Visitors Bureau  
Statement of Activities - Budget Comparison  
Sports Park Department  
For the Six Months Period Ending March 31, 2022**

	Actual	Budget	Variance
Income			
40300 Soccer	20,225.00	88,492.00	(68,267.00)
40400 Football	13,600.00	11,300.00	2,300.00
40500 Lacrosse		13,500.00	(13,500.00)
40600 Baseball	107,400.84	312,600.00	(205,199.16)
40700 Softball	13,738.32	84,300.00	(70,561.68)
40900 Adult Recreation	(443.93)	20,500.00	(20,943.93)
41000 Other Field Income	3,444.33	-	3,444.33
41500 Concessions/Food/Beverage	211,583.31	633,000.00	(421,416.69)
41905 Facility Fee/Ticketing Income	23,516.04	20,000.00	3,516.04
41915 Vendor Commissions	5,241.72	-	5,241.72
41916 Trainers	20,115.00	62,685.00	(42,570.00)
41990 Other Miscellaneous Sales	15,561.25	48,000.00	(32,438.75)
41995 Interest Income	368.31	600.00	(231.69)
41910 Other Revenues Advertisement/Sponsorship	21,000.00	225,000.00	(204,000.00)
41930 Other Revenues - Reimbursements	6,880.98	-	6,880.98
Total Sports Park Revenue	\$ 462,231.17	\$ 1,519,977.00	\$ (1,057,745.83)
Total Cost of Goods Sold	164,478.74	473,363.00	(308,884.26)
Gross Profit	\$ 297,752.43	\$ 1,046,614.00	\$ (748,861.57)
Expenses			
60000 Advertising / Marketing	19,974.94	18,400.00	1,574.94
60400 Bank & Other Service Charges	11,059.27	23,100.00	(12,040.73)
61000 Legal & Professional Fees	-	726.00	(726.00)
62000 General & Administrative Expenses	15,677.82	24,062.00	(8,384.18)
63400 Interest Expense	10.53	-	10.53
63300 Insurance	20,463.24	30,038.00	(9,574.76)
64000 Supplies and Services	10,999.40	21,380.00	(10,380.60)
65000 Contract Labor	306,291.15	633,516.00	(327,224.85)
66000 Other Payroll Expenses	7,062.56	12,000.00	(4,937.44)
67200 Repairs and Maintenance	110,587.16	246,610.00	(136,022.84)
68600 Utilities	108,931.52	211,048.00	(102,116.48)
Total Expenses	\$ 611,057.59	\$ 1,220,880.00	\$ (609,822.41)
Net Operating Income	(313,305.16)	(174,266.00)	(139,039.16)
49003 Subsidy Income-CVB	269,038.69	-	269,038.69
Net Income(Loss)	\$ (44,266.47)	\$ (174,266.00)	\$ 129,999.53



**Panama City Beach  
Convention and Visitors Bureau, Inc.**

**FINANCIAL STATEMENTS**

**September 30, 2021**

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Panama City Beach Convention and Visitors Bureau, Inc.  
Panama City Beach, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of Panama City Beach Convention and Visitors Bureau, Inc. (a nonprofit organization), a component unit of Bay County, Florida, as of and for the year ended September 30, 2021, and the related notes to financial statements, which collectively comprise the Panama City Beach Convention and Visitor Bureau's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. 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*, issues by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Panama City Beach Convention and Visitors Bureau, Inc. as of September 30, 2021, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the schedules of other postemployment benefits plan on pages 21 and 22 are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2022, on our consideration of Panama City Beach Convention and Visitors Bureau, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Panama City Beach Convention and Visitors Bureau, Inc.'s internal control over financial reporting and compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Panama City Beach Convention and Visitors Bureau, Inc.'s internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, L.L.C.*

Certified Public Accountants  
Panama City Beach, Florida  
March 28, 2022

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Statement of Net Position**

September 30, 2021

Business-type Activities - Enterprise Funds

<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 4,746,514
Accounts receivable, net	172,275
Food inventory	10,748
Due from Bay County	1,503,138
Prepays	347,536
Total current assets	6,780,211
Capital assets	
Equipment	179,502
Less accumulated depreciation	(53,572)
Total capital assets, net	125,930
Total assets	6,906,141
<b>Deferred outflows of resources</b>	
Deferred outflows related to other postemployment benefits	4,031
Total deferred outflows of resources	4,031
<b>Liabilities</b>	
Current liabilities	
Accounts payable	1,625,549
Sales tax payable	2,829
Accrued liabilities	283,393
Unearned revenue	503,738
Total current liabilities	2,415,509
Noncurrent liabilities	
Working capital advance	250,000
Other postemployment benefits liability	105,790
Total noncurrent liabilities	355,790
Total liabilities	2,771,299
<b>Deferred inflows of resources</b>	
Deferred inflows related to other postemployment benefits	136,525
Total deferred inflows of resources	136,525
<b>Net position</b>	
Net investment in capital assets	125,930
Unrestricted	3,876,417
Total net position	\$ 4,002,347

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

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Statement of Revenues, Expenses and Changes in Net Position**

*For the Year Ended September 30, 2021*

Business-type Activities - Enterprise Funds

**Operating Revenues**

Bay County TDC contract	\$ 11,391,672
Bay County TDC contract - Sports Park	1,777,348
Co-op income	28,178
Florida Sports Foundation grant	98,241
Special events	143,952
Miscellaneous	347,683
Sponsorship income	110,405

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Total operating revenues	13,897,479
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**Operating Expenses**

Accounting	29,136
Advertising	6,522,896
Automobile	6,000
Contract labor	120,000
Depreciation	17,335
Dues and subscriptions	129,645
Employee benefits	257,488
Facilities rental	47,847
Facility contributions	29,125
Familiarization	44,228
Film commission	45,000
Insurance	7,926
Legal and professional	62,097
Miscellaneous	1,967
Office	11,101
Payroll taxes	79,165
Postage	73,159
Printing	99,668
Public relations	985,561
Repairs and maintenance	32,539
Salaries	1,383,068
Seminars	25,811
Special events	313,676
Sponsorships	444,850

(Continued)

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



**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Statement of Revenues, Expenses and Changes in Net Position (Continued)**

*For the Year Ended September 30, 2021*

Business-type Activities - Enterprise Funds

<b>Operating Expenses (Continued)</b>	
Sports park management	\$ 1,502,412
Sports park operations	541,294
Supplies and facility improvements	12,221
Trade shows	142,212
Training	1,266
Travel	23,844
Uniforms	253
Utilities	2,940
<hr/>	
Total operating expenses	12,995,730
<hr/>	
Operating income	901,749
<hr/>	
<b>Nonoperating Revenues</b>	
Gain on sale of stock	1,068
Interest	8,050
<hr/>	
Total nonoperating revenues	9,118
<hr/>	
<b>Change in net position</b>	<b>910,867</b>
<hr/>	
Net position - beginning of year	3,091,480
<hr/>	
<b>Net position - end of year</b>	<b>\$ 4,002,347</b>
<hr/> <hr/>	

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

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Statement of Cash Flows**

*For the Year Ended September 30, 2021*

Business-type Activities - Enterprise Funds

**Operating Activities**

Cash received from intergovernmental revenue	\$	12,931,013
Cash received from sales and services		149,763
Cash received from grants		98,241
Cash received from miscellaneous operating activities		347,683
Cash paid to suppliers for goods and services		(9,777,940)
Cash paid to employees for services		(1,605,308)

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Net cash provided by operating activities		2,143,452
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**Capital and Related Financing Activities**

Transfer of sports park construction in progress to Bay County		12,520
Purchases of capital assets		(39,501)

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Net cash used in capital and related financing activities		(26,981)
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**Investing Activities**

Proceeds from sale of stock		8,062
Interest income		8,050

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Net cash provided by investing activities		16,112
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Net change in cash and cash equivalents		2,132,583
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Cash and cash equivalents, beginning of year		2,613,931
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Cash and cash equivalents, end of year	\$	4,746,514
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(Continued)

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

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Statement of Cash Flows (Continued)**

*For the Year Ended September 30, 2021*

Business-type Activities - Enterprise Funds

**Reconciliation of Operating Income  
to Net Cash Provided by Operating  
Activities**

Operating income	\$	901,749
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation		17,335
(Increase) decrease in assets		
Accounts receivable, net		(131,538)
Food inventory		1,957
Due from Bay County		18,812
Prepays		606,059
Increase in deferred outflows		(721)
Increase (decrease) in liabilities		
Accounts payable		1,033,005
Sales tax payable		(3,191)
Accrued liabilities		(36,987)
Unearned revenue		(256,819)
Other postemployment benefits liability		9,184
Decrease in deferred inflows		(15,393)
<b>Total adjustments</b>		<b>1,241,703</b>
<b>Net cash provided by operating activities</b>		<b>\$ 2,143,452</b>

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

## Panama City Beach Convention and Visitors Bureau, Inc. Notes to Financial Statements

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Panama City Beach Convention and Visitors Bureau, Inc. (Bureau) is a not-for-profit corporation organized under Chapter 617 of the *Florida Statutes* whose purpose is to provide support for the Bay County Tourist Development Bureau, the Board of County Commissioners of Bay County, Florida, and where not in conflict with those two, the City of Panama City Beach, Florida. The Bureau is designed to (1) provide support to advance and promote tourism; (2) finance and effect beach improvement, maintenance, renourishment and restoration; and (3) serve as, operate or fund a convention and meetings bureau to promote the greater Panama City Beaches area. The Bureau is primarily funded from the tourist development taxes collected within the Panama City Beach Tourist Development Tax District through a contract with the Bay County Board of County Commissioners.

#### ***Reporting Entity***

For financial reporting purposes, the Bureau is considered a component unit of Bay County, Florida. The Bureau's financial statements have been included in Bay County, Florida's financial statements as a discretely presented component unit. Discretely presented component units are reported in a separate column in Bay County, Florida's financial statements to emphasize that the Bureau is a legally separate entity. The accounting policies of the Bureau conform to generally accepted accounting principles (GAAP) as applied to governmental units. The more significant accounting policies used by the Bureau are described below.

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

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Bureau's fund are reported using the *economic resources measurement* focus and the *accrual basis of accounting*.

#### ***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position***

##### ***Cash and Cash Equivalents***

The Bureau's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term highly liquid investments with original maturities of three months or less from the date of acquisition.

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)***

*Investments*

Investments for the Bureau are reported at fair value (generally based on quoted market prices).

*Receivables and payables*

Accounts Receivables – An amount for unbilled revenue is recorded for services rendered, but not yet billed as of the end of the fiscal year. The receivable is derived from fund requests submitted to the County and not yet received as of September 30, 2021.

Allowance for doubtful accounts –The Bureau provides for doubtful accounts based on experience and analysis of individual accounts. When the collectability of a receivable becomes questionable, an allowance for doubtful accounts is established. When specific accounts are determined to be uncollectible, they are written off by charging the allowance and crediting the receivable. As of September 30, 2021, there was no allowance for doubtful accounts as management considers all receivables to be collectible.

Unearned revenue – Unearned revenue recorded on the balance sheet represents amounts received before eligibility requirements are met.

*Prepays*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids. The cost of prepaids is recorded as an expense when consumed rather than when purchased.

*Capital Assets*

Capital assets are defined by the Bureau as assets with initial, individual costs of more than \$5,000 and estimated useful lives in excess of one year. As the Bureau constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Construction in progress is not depreciated. The equipment of the Bureau is depreciated using the straight line method generally over their estimated useful lives of 10 years.

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)***

*Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Bureau has one item that qualifies for reporting in this category, the deferred outflow of resources related to other postemployment benefits.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Bureau has one item that qualifies for reporting in this category, the deferred inflow of resources related to other postemployment benefits.

*Compensated Absences*

The Bureau's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Accumulated sick leave lapses when employees leave the employ of the Bureau and, accordingly upon separation from service, no monetary obligation exists.

*Other Post-Employment Benefits (OPEB) Liability*

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

*Categories and Classification of Fund Equity*

*Net position flow assumption* – Sometimes the Bureau will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the financial statements, a flow assumption must be made about the order in which the resources are

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)***

considered to be applied. It is the Bureau's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

***Revenues and Expenses***

*Proprietary fund's operating and nonoperating revenues and expenses* – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations. The principal operating revenues are billings related to the Bay County contract. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 28, 2022 and determined there were no events that occurred that required disclosure.

***Recently Issued Accounting Pronouncements***

The Governmental Accounting Standards Board (GASB) has issued statements that will become effective in future years. These statements are as follows:

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued Accounting Pronouncements (Continued)***

In May 2020, GASB issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The Bureau is currently evaluating the requirements of the above statements and their impact on its financial statements.

**NOTE 2: DETAILED NOTES**

***Deposits and Investments***

As of September 30, 2021, \$250,000 of the Bureau's bank balance is covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Bureau pursuant to Section 280.08, Florida Statutes.

***Accounts Receivable and Due from Bay County***

The Bureau had the following accounts receivable, net, as of September 30, 2021:

Accounts receivable	\$	172,275
Less: allowance for doubtful accounts		-
<hr/>		
Accounts receivable, net	\$	172,275
<hr/>		

The accounts receivable is comprised primarily of amounts due from field rentals at the sports park. The Bureau has no unconditional promises receivable as of September 30, 2021. The Bureau has an amount due from Bay County of \$1,503,138, as of September 30, 2021, for the amounts due under the contract for the year ending September 30, 2021.



**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 2: DETAILED NOTES (Continued)**

**Capital Assets**

Capital assets activity for the year ended September 30, 2021, was as follows:

	Balance September 30, 2020	Increases	Decreases	Balance September 30, 2021
Capital assets, not being depreciated				
Construction in progress	\$ 12,520	\$ -	\$ (12,520)	\$ -
<hr/>				
Total capital assets, not being depreciated	12,520	-	(12,520)	-
<hr/>				
Capital assets, being depreciated				
Building improvements	-	8,201	-	8,201
Equipment	140,001	31,300	-	171,301
Accumulated depreciation	(36,237)	(17,335)	-	(53,572)
<hr/>				
Total capital assets, being depreciated, net	103,764	22,166	-	125,930
<hr/>				
Total capital assets, net	\$ 116,284	\$ 22,166	\$ (12,520)	\$ 125,930

Depreciation expense of \$17,335 was recorded during the year ended September 30, 2021.

**NOTE 3: ECONOMIC DEPENDENCY**

The Bureau is primarily funded by taxes collected by the Bay County Tourist Development Bureau provided through a contract with the Bay County Board of Commissioners. If this contract were to be discontinued, it would have a material impact on the financial operations of the Bureau.

**NOTE 4: RELATED PARTY TRANSACTIONS**

The Bureau is currently located in facilities owned and maintained by the Bay County Tourist Development Bureau of Bay County, Florida (TDC). The Bureau has no outstanding balances due to the TDC as of September 30, 2021. The Bureau maintains a general liability insurance policy that lists Bay County, Florida and City of Panama City Beach as additional insured parties. The Bureau is not charged for rent or utilities.

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 5: CONTINGENCY RESERVE**

The Bay County Board of County Commissioners maintains a contingency reserve for the Bureau. The reserve is funded by all annual unappropriated cash carryforward amounts from tax revenues and any current year tax revenues approved for reservation. There is no maximum reserve amount. The reserve does have a required minimum balance of \$1,000,000. This reserve may be accessed by the Bureau after approval of the Bay County Board of County Commissioners. Funds may be withdrawn in the event of a disaster or unanticipated adverse circumstances, to minimize deficit financing of capital projects, or to address the needs from other unanticipated problems or take advantage of unanticipated opportunities. As of September 30, 2021, the County's reserve balance was \$1,147,387.

**NOTE 6: OTHER POSTEMPLOYMENT BENEFITS**

***Plan Description***

The Bureau participates in a plan established by Bay County (County). The Bureau established the Retirees' Health Insurance Other Postemployment Benefits (OPEB) Plan (Plan), a single employer plan. Pursuant to Section 112.0801 Florida Statutes, the Bureau is required to provide eligible retirees (as defined in the County's pension plans) the opportunity to participate in this Plan at the same cost that is applicable to active employees. The Bureau does not issue stand-alone financial statements for this Plan. All financial information related to the Bureau's proportionate share of the Plan is accounted for in the Bureau's basic financial statements.

***Funding Policy***

The Bureau is funding the post employee benefits on a pay-as-you-go basis. Contribution rates for the Plan are established by County annually during the budget process. The Bureau does not pay for health insurance premiums for retirees. Blended premium rates for active and retired employees combined provide an implicit subsidy for retirees because on an actual basis, their current and future claims are expected to result in higher costs to the Plan than those of active employees. The current year contributions are determined as annualized claims incurred based on the retiree age at the beginning of the fiscal year and the claims table used for liability determination offset by the annual premium paid by the retiree for such coverage. Bureau contributions are assumed to be equal to benefits paid.

The monthly contribution rates effective for eligible Bureau plan members during the year are shown below:

Coverage	Plan 3160/3161 HAS/HDHP
Retiree	\$ 611
Retiree and Spouse	1,484

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 6: OTHER POSTEMPLOYMENT BENEFITS (Continued)**

***Plan Membership***

The Bureau currently has twenty active members and three retirees.

***Actuarial Assumptions and Other Inputs***

In the September 30, 2021 reporting date, based on a September 30, 2020 measurement date and a September 30, 2019 valuation date the actuarial assumptions and other inputs, applied include the following:

Inflation rate	2.20%		
Salary increases	3.25% Including inflation		
Discount rate	2.21% investment rate of return		
Retirees' share of benefit-related costs	100% of projected health insurance premium		
		Prior to age 65	Cost after age 65
Initial healthcare trend rate		6.3%	5.5%
Ultimate healthcare trend rate		3.7%	3.7%
Years to ultimate healthcare trend rate		73	76

The discount rate was selected based on a 20-year tax-exempt high-quality general obligation municipal bond yield of index. The Bond Buyer 20-Bond General Obligation Index is the average rating of 20 bonds that are grade 'Aa2' (Moody's) or grade 'AA' (S&P 500). The Bond Buyer 20-Bond General Obligation Index at September 30, 2021 was 2.21%. The valuation used a 2.66% investment rate of return. The 2.21% investment rate of return assumption was used for the September 30, 2020 measurement date as it is close to the index.

Mortality rates were based on separate assumptions for employees, healthy annuitants, and disabled annuitants, and disabled annuitants based on Pub-2010 General Headcount-Weighted Mortality tables projected generationally with mortality improvement scale MP2020.

The actuarial assumptions used in the September 30, 2019 valuation were not based on the results of an actuarial experience study.

***Total OPEB Liability and Changes in the Total OPEB Plan Liability***

At September 30, 2021, the Bureau reported a total OPEB liability of \$105,790. The information has been provided as of the September 30, 2021 reporting date.

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 6: OTHER POSTEMPLOYMENT BENEFITS (Continued)**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a) - (b)
Balance as of October 1, 2020	\$ 96,606	\$ -	\$ 96,606
Changes for the year			
Service cost	7,788	-	7,788
Interest	2,538	-	2,538
Changes of assumptions	317	-	317
Difference between expected and actual experience	-	-	-
Contributions - employer	-	1,459	(1,459)
Benefit payments	(1,459)	(1,459)	-
<b>Net changes</b>	<b>9,184</b>	<b>-</b>	<b>9,184</b>
Balance as of September 30, 2021	\$ 105,790	\$ -	\$ 105,790

The methods, assumptions, and participant data used are detailed in the actuarial valuation report dated September 30, 2019.

***Sensitivity of the Net OPEB Liability***

The following table represents the Bureau's total and net OPEB liability calculated using the discount rate of 2.21%, as well as what the Bureau's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current rate.

	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Net OPEB liability	\$ 112,058	\$ 105,790	\$ 99,492

The following table represents the Bureau's total and net OPEB liability calculated using the healthcare cost trend rates of 3.7% as well as what the Bureau's total net OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower (2.7%) or 1 percentage point higher (4.7%) than the current trend rates.

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 6: OTHER POSTEMPLOYMENT BENEFITS (Continued)**

***Sensitivity of the Net OPEB Liability (Continued)***

	1% Decrease (2.7%)	Ultimate Trend Rate (3.7%)	1% Increase (4.7%)
Net OPEB liability	\$ 92,954	\$ 105,790	\$ 121,172

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended September 30, 2021, the Bureau recognized OPEB expense of \$6,930. At September 30, 2020, the Bureau had deferred inflows and outflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (14,317)	\$ 1,593
Changes of assumptions	(122,208)	296
Employer contributions subsequent to the measurement date	-	2,142
Total	\$ (136,525)	\$ 4,031

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the OPEB liability in the reporting period ending September 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Year ending September 30:	
2022	\$ (15,254)
2023	(15,254)
2024	(15,254)
2025	(15,254)
2026	(15,254)
Thereafter	(58,366)
Total	\$ (134,636)

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Notes to Financial Statements**

**NOTE 7: UNCERTAINTIES**

In March 2020, the World Health Organization made the assessment that the outbreak of the novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the ongoing operating activities and the future results of the Bureau. The occurrence and extent of such an impact will depend on future developments, including (i) the and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain as of March 28, 2022.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Panama City Beach Convention and Visitors Bureau, Inc.**  
**Required Other Postemployment Benefits Supplementary Information**  
**Schedule of Changes in OPEB Liability and Related Ratios**  
**Last Four Fiscal Years\***

<i>September 30,</i>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Total OPEB Liability</b>				
Service cost	\$ 7,788	\$ 5,949	\$ 18,002	\$ 19,090
Interest	2,538	9,447	8,494	6,977
Effect of economic/demographic gains or losses	-	(17,402)	2,198	-
Changes in assumptions	317	(129,405)	(11,512)	(12,211)
Benefit (payments) refunds	(1,459)	(877)	(7,149)	(8,058)
Net change in OPEB liability	9,184	(132,288)	10,033	5,798
Total OPEB liability - beginning	96,606	228,894	218,861	213,063
Total OPEB liability - ending (a)	\$ 105,790	\$ 96,606	\$ 228,894	\$ 218,861
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 1,459	\$ 877	\$ 7,149	\$ 8,058
Benefit payments/refunds	(1,459)	(877)	(7,149)	(8,058)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending (a) - (b)	\$ 105,790	\$ 96,606	\$ 228,894	\$ 218,861
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%
Covered-employee payroll	\$ 1,383,068	\$ 1,373,511	\$ 1,373,953	\$ 1,372,370
Net OPEB liability as a percentage of covered-employee payroll	7.65%	7.03%	16.66%	15.95%

\*GASB Codification P52 requires an employer to disclose a 10-year history. However, until a full 10-year trend is compiled, information will be presented only for those years for which information is available. There are no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

\* The following discount rate was used in each period:

9/30/18 – 3.64%

9/30/19 – 4.18%

9/30/20 – 2.66%

9/30/21 – 2.21%

See independent auditors' report



## COMPLIANCE REPORT

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

Board of Directors  
Panama City Beach Convention and Visitors Bureau, Inc.  
Panama City Beach, 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 business-type activities of the Panama City Beach Convention and Visitors Bureau, Inc. (a nonprofit organization), a component unit of Bay County, Florida, as of and for the year ended September 30, 2021, and the related notes to financial statements, which collectively comprise the Panama City Beach Convention and Visitors Bureau, Inc.'s basic financial statements as listed in the table of contents, and have issued our report thereon dated March 28, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Panama City Beach Convention and Visitors Bureau, Inc.'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 Panama City Beach Convention and Visitors Bureau, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Panama City Beach Convention and Visitors Bureau, Inc.'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify

certain deficiencies in internal control, described in the accompanying schedule of findings as item 2021-001 and 2021-002 that we consider to be material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Panama City Beach Convention and Visitors Bureau, Inc.'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.

### **Bureau's Responses to Findings**

The Bureau's responses to the findings identified in our audit is described in the accompanying schedule of findings. The Bureau's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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.

*Carr, Rigg & Ingram, L.L.C.*

Certified Public Accountants  
Panama City Beach, Florida  
March 28, 2022

## Schedule of Findings Year Ended September 30, 2021

### **2021-001** Inadequate controls over cash collections at the Panama City Beach Sports Complex

Condition: Cash collection procedures require reports generated from the collection system to be included as support to reconcile to deposit information. The system generated reports were being altered resulting in deposit information that was inaccurate. In addition, cashier checkout sheets from the concession stands were not maintained which would also allow for reconciliation of deposits from the point of receipt.

Criteria: Reconciliation of deposits should be compared to information directly from the collection system. Cash collection procedures should require proper documentation from the point of receipt to the deposit of the funds.

Effect: The alteration of the system generated reports and the exclusion of proper support for deposits allowed theft of funds of approximately \$37,000.

Cause: There were improper controls over cash collections.

Recommendation: The accounting staff at the sports complex should be trained on the appropriate internal control procedures in regards to collection of funds. In addition, the Bureau should consider having two employees, not involved in cash collections, reconcile checkout sheets and reports generated from the collection system prior to funds being deposited in the bank account.

Views of Responsible Officials and Planned Corrective Action: Panama City Beach CVB has established a training process for all cash handlers whereby whenever possible, no one employee is ever left alone to count their drawer or day's work. When staffing does not allow for at least 2 employees to be present the county area is secured and there is a camera video-taping the process. The general manager of the Sports Park and the VP of Administration of the CVB have access to this footage and live stream. Daily revenue reports from the POS system are generated independent of the cash handling to ensure accuracy.

### **2021-002** Supporting documentation, primarily for cashier checkout sheets, was not properly maintained

Condition: Cashier checkout sheets were routinely not maintained. In addition, there were isolated instances of other documents that were requested that were not able to be provided.

Criteria: The Bureau should have proper record retention procedures.

Effect: Lack of supporting documentation could result in improper use of funds and/or inability for controls to perform as intended.

Cause: Improper record retention procedures and/or lack of oversight to ensure records were properly maintained.

Recommendation: Proper record retention procedures should be established and properly communicated to staff.

## **Schedule of Findings (Continued) Year Ended September 30, 2021**

Views of Responsible Officials and Planned Corrective Action: Panama City Beach CVB has instructed staff on proper records retention policies in accordance with Florida Statutes. Periodic audits throughout the year will be made by the Vice President of Administration to ensure adequate documentation is maintained in accordance with policy.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE BAY COUNTY BOARD OF COUNTY COMMISSIONERS, BAY COUNTY, FLORIDA, REQUESTING A BEACH MANAGEMENT PROGRAM GRANT FROM THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION BEACH MANAGEMENT FUNDING ASSISTANCE PROGRAM FOR FISCAL YEAR 2023/2024 FOR THE MEXICO BEACH SHORELINE RESTORATION PROJECT.

WHEREAS, Hurricane Michael made landfall on Mexico Beach as a Category 5 storm on October 10<sup>th</sup>, 2018, causing catastrophic upland damage to structures and infrastructure, as well as extensive erosion to the beach and dune system;

WHEREAS, prior to Hurricane Michael, the Mexico Beach Community Development Council had identified beach preservation and beach restoration as a priority due to the Mexico Beach shoreline being severely eroded, providing diminished storm protection and reduced recreation area, and impacting the tourism-based-economy; and

WHEREAS, in 2017, the Mexico Beach CDC fully funded an update to the 2008 Mexico Beach feasibility study which included updating shoreline conditions, evaluating methods to increase the effectiveness and efficiency of inlet sand bypassing as well as cost-effectively place sand in the area of need; and

WHEREAS, the City of Mexico Beach advanced the recommendations from the CDC funded study and was nearly complete with design and permitting for a truck haul sand bypass project when Hurricane Michael made landfall in October 2018; and

WHEREAS, Bay County has identified beach preservation, and beach renourishment as a priority to the County to include Mexico Beach; and

WHEREAS, immediately following Hurricane Michael, the Bay County Tourist Development Council and Bay County recognized the need to move forward immediately with design, permitting, and an offshore sand search investigation necessary to develop a beach restoration project to address the damages caused by Hurricane Michael and identified a local funding source to begin this work; and

WHEREAS, the Florida Department of Environmental Protection is the beach and shore preservation authority for the State and supervises the Beach Management and Funding Assistance Program; and

WHEREAS, the Florida Department of Environmental Protection also recognized the need to move forward immediately with design, permitting, and an offshore sand search

investigation necessary to develop a beach restoration project to address the damages caused by Hurricane Michael and provided 50/50 state cost-sharing for this work; and

WHEREAS, the offshore sand source investigation work is complete, the state permit has been issued, and the federal permit process is nearly complete; and

WHEREAS, Bay County has determined that funds provided through the Beach Management and Funding Assistance Program are critical for a full-scale restoration and subsequent monitoring of the Mexico Beach shoreline.

WHEREAS, Bay County requests continued support of its existing Grant Agreements, and new State funding assistance via an amended or new grant agreement, whichever is necessary, with the Florida Department of Environmental Protection; and supports the Department's beach and coastal management programs; and

**Now, Therefore, Be It Resolved** by the Board of County Commissioners of Bay County, Florida as follows:

Section 1. The County Commission hereby determines that it is in the best interest of Bay County to request continued support of its existing Grant Agreements and new State funding assistance via amended or new grant agreement(s) pursuant to Florida Statute 161.091, for the Mexico Beach Shoreline Restoration Project through the Florida Department of Environmental Protection. Said funding to be used to plan for, permit, design, construct, and monitor a full-scale beach restoration project at Mexico Beach.

Section 2. The Board of County Commissioners hereby determines that it is in the best interest of Bay County to renew its support for all funds previously approved for the Mexico Beach Shoreline Restoration Project, said funding was used for design and permitting, and will be used for construction and monitoring of the project per permit requirements.

Section 3. The Board of County Commissioners hereby determines that the local funding share to implement the project has been and will be provided through the Bay County Tourist Development Council and Mexico Beach Community Development Council representing the County as the local taxing authority, as well as funding provided by the City of Mexico Beach.

Section 4. The Chairman of the Board of County Commissioners, or his designee, is hereby authorized to execute the funding application, enter into such agreements as are required to secure available funding and to otherwise act on behalf of Bay County in all matters related to the securing of available grant funding from the Beach Management and Funding Assistance Program for Fiscal Year 2023/2024.

Section 5. This Resolution shall take effect immediately upon its adoption.

Done and adopted by the Board of County Commissioners of Bay County, Florida this  
\_\_\_\_\_ day of \_\_\_\_\_ 2022.

\_\_\_\_\_  
Robert Carroll, Chairman

ATTEST:

\_\_\_\_\_  
Bill Kinsaul, Clerk

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

\_\_\_\_\_  
Office of County Attorney



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE BAY COUNTY BOARD OF COUNTY COMMISSIONERS, BAY COUNTY, FLORIDA, REQUESTING A CONTINUATION OF THE BEACH MANAGEMENT PROGRAM GRANT FROM THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION BEACH MANAGEMENT AND FUNDING ASSISTANCE PROGRAM FOR FISCAL YEAR 2023/2024 FOR THE PANAMA CITY BEACHES EROSION CONTROL PROJECT.

WHEREAS, prior to the initial beach restoration project in 1998/99, the Panama City Beaches were severely eroded, providing diminished storm protection and reduced recreation area, impacting the tourism-based-economy; and

WHEREAS, Bay County has identified beach preservation, and beach renourishment as a priority to the County; and

WHEREAS, Bay County has developed a Long Range Beach Management and Erosion Control Plan for the Panama City Beaches to address the issues of beach preservation, and beach renourishment; and will serve as the local sponsor; and

WHEREAS, the Florida Department of Environmental Protection is the beach and shore preservation authority for the State and supervises the Beach Management and Funding Assistance Program; and

WHEREAS, the third renourishment project of the Panama City Beach project area was constructed locally by Bay County in May 2017 and Bay County planned to continue monitoring the project and maintaining the project with periodic renourishment; and

WHEREAS, Hurricane Michael made landfall as a Category 5 storm just east of Panama City Beach on Mexico Beach on October 10<sup>th</sup>, 2018, causing storm erosion to the beach; and

WHEREAS, the U.S. Army Corps of Engineers preliminary Project Information Report regarding Hurricane Michael produced a positive project construction benefit-to-cost ratio, which was approved by the Division Engineer on July 6<sup>th</sup>, 2019; and

WHEREAS, Hurricane Sally made landfall as a Category 2 storm just west of Panama City Beach near Gulf Shores, Alabama on September 16<sup>th</sup>, 2020, causing additional storm erosion to the beach; and

WHEREAS, the U.S. Army Corps of Engineers analysis supported adjusting the planned Hurricane Michael construction volume to account for the additional Hurricane Sally volume loss; and

WHEREAS, the fourth renourishment project of the Panama City Beach project area was constructed by the U.S. Army Corps of Engineers in 2021-2022, which replaced the losses associated with Hurricane Michael and Hurricane Sally, as well as brought the project back to full project design;

WHEREAS, the erosion at St. Andrews State Park, immediately adjacent to the federal Panama City Beaches renourishment project area, is at a critical level with limited beach berm width and severe scarping at the dune resulting in dangerous cliffs; and

WHEREAS, a full restoration of the St. Andrews State Park has become critically necessary and Bay County is willing to serve as the local sponsor through its representative, the Bay County Tourist Development Council; and

WHEREAS, construction of a beach restoration at St. Andrews State Park is being planned to take advantage of the 2021-2022 U.S. Army Corps of Engineers led renourishment of the adjacent Panama City Beach project area contracting process; and

WHEREAS, Bay County has determined that funds provided through the Beach Management and Funding Assistance Program would greatly assist and expedite the repair and subsequent monitoring of the Panama City Beaches to include the U.S. Army Corps of Engineers federal Panama City Beaches renourishment and St. Andrews State Park restoration projects.

WHEREAS, Bay County requests continued support of its existing Grant Agreements, and new State funding assistance via an amended or new grant agreement, whichever is necessary, with the Florida Department of Environmental Protection; and supports the Department's beach and coastal management programs; and

**Now, Therefore, Be It Resolved** by the Board of County Commissioners of Bay County, Florida as follows:

Section 1. The County Commission hereby determines that it is in the best interest of Bay County to request continued support of its existing Grant Agreements and new State funding assistance via amended or new grant agreement(s) pursuant to Florida Statute 161.091, for the Panama City Beaches Erosion Control Project through the Florida Department of Environmental Protection. Said funding to be used to plan for, permit, design, construct, and monitor future renourishment for the Panama City Beaches Erosion Control Project and St. Andrews State Park.

Section 2. The Board of County Commissioners hereby determines that it is in the best interest of Bay County to renew its support for all funds previously approved for the Panama City Beaches Erosion Control Project, said funding was used for design, permitting, construction, monitoring and maintaining the Panama City Beaches Erosion Control Project and St. Andrews State Park per permit requirements.

Section 3. The Board of County Commissioners hereby determines that the local funding share to implement the project has been and will be provided through the Bay County Tourist Development Council representing the County as the local taxing authority.

Section 4. The Chairman of the Board of County Commissioners, or his designee, is hereby authorized to execute the funding application, enter into such agreements as are required to secure available funding and to otherwise act on behalf of Bay County in all matters related to the securing of available grant funding from the Beach Management and Funding Assistance Program for Fiscal Year 2023/2024.

Section 5. This Resolution shall take effect immediately upon its adoption.

Done and adopted by the Board of County Commissioners of Bay County, Florida this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

\_\_\_\_\_  
Robert Carroll, Chairman

ATTEST:

\_\_\_\_\_  
Bill Kinsaul, Clerk

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

\_\_\_\_\_  
Office of County Attorney