

# DESTINATION PANAMA CITY REGULARLY SCHEDULED QUARTERLY MEETING April 27, 2021

9:00AM (immediately following the City of Panama City Commissioner Meetings)

- 1) Roll Call
- 2) Approval of Minutes January 26, 2021
- 3) Acceptance of TDT Revenue Reports Collections thru March 2021
- 4) Financial Status Reports period ending March 31, 2021
- 5) Acceptance of FY20 Audit as prepared by Carr Riggs Ingram
- 6) Consideration of Facility Use Agreement for Future Visitor's Center Public Space
- 7) CEO Update
  - a) FY21 Budget Amendment
  - b) Local SEO and Google My Business Best Practices for Partners
  - c) Near shore Artificial Reef
  - d) Marketing & Public Relations Update
  - e) Visitors Center Update
  - f) Events Update
    - i) Tourism Appreciation Month
    - ii) July 4th Salute to Freedom
    - iii) Gulf Yachting Association Regatta, Shine Down Basketball, Florida Weightlifting Championships, Snap Soccer, Mardi Gras in May, Blessing of the Fleet & Free Your Feet
- 8) Adjournment

Panama City Community Development Council dba Destination Panama City Agenda Item Summary									
1. Presenter Name:		2. MEETING DATE:							
Jennifer M. Vigil President & CEO		04/27/2021							
3. REQUESTED MOTION/AC	CTION:								
Motion to Accept Minutes for	or January 26, 2021 as presented.								
4. AGENDA  PRESENTATION  PUBLIC HEARING  CONSENT  REGULAR	5. IS THIS ITEM BUDGETED (IF APPLICABLE)?:  BUDGET ACTION: FINANCIAL IMPACT SUMMARY STATEMENT:  DETAILED ANALYSIS ATTACHED?: YES \( \subseteq \text{NO} \subseteq \)	YES 🗌 NO 🗌 IF NO, STATE ACTION REQUIRED 🗌 N/A							
<b>—</b>	ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (	WHO, WHERE, WHEN & HOW)							
	21 are attached for consideration of approval.								



# DESTINATION PANAMA CITY REGULARLY SCHEDULED QUARTERLY MEETING January 26, 2021

9:00AM (immediately following the City of Panama City Commissioner Meetings)

- Roll Call Chairman Jennine Brown, Vice Chairman Nirav Banker, and Board Members Kenneth Brown, Billy Rader, Greg Brudnicki, and Mike Nichols were all present.
- 2) Approval of Minutes October 13, 2020. Motion to approve Minutes as presented was made by Board Member Kenneth Brown, seconded by Board Member Billy Rader. The motion was approved unanimously.
- 3) Acceptance of TDT Revenue Reports Collections thru November 2020. Vice Chairman Nirav Banker motioned to Accept the TDT Revenue Reports as presented, seconded by Board Member Greg Brudnicki. The motion was approved unanimously.
- 4) Financial Status Reports period ending December 31, 2020. Motion to Accept the Financial Status Reports was made by Board Member Greg Brudnicki and seconded by Board Member Kenneth Brown. The motion was approved unanimously.
- 5) Consideration of Facility Use Agreement for Future Visitor's Center Public Space.
  - a) Input was received from the Board regarding the Cancellation Policy being too short with a preference of no less than 14 days with a fee, language for public space closure during special events, additional rental fee for outdoor space, the fee structure needed to be raised for private events, consideration of a percentage discount for citizens of Panama City.
  - b) Staff responded to questions regarding event insurance, assured the board that the kitchen in the new facility was not a commercial kitchen and that caterers would have to be used by renters, and the fee structure.

- c) Staff was given direction to implement the suggestions made by the Board and return for Board approval at an upcoming meeting.
- 6) Ratification of Change Order for Completion of Public Restroom Facilities at New Visitor's Center signed by CEO Vigil.
  - a) CEO Vigil explained that a formal Change Order had not yet been prepared however, to ensure construction continued at a steady pace, she requested the authority to execute a Change Order in an amount not to exceed \$84,476.00 plus 10% as some details of the flood gates versus flood vents had not yet been resolved. CEO Vigil explained the Change Order essentially adds back to the original contract the "add-on" item of the ground level public restrooms. Initially the Board had decided to wait until FY22, but a error by the masonry contractor made it more prudent to finish out the ground level. Additionally, CEO Vigil stated that Destination Panama City had finished the FY20 fiscal year in a strong financial position and adding the restroom facilities would not interfere in marketing and promotion activities planned for the year.
  - b) Board Member Greg Brudnicki stated it was important with Viking Cruise Lines and increased tourism to have public restroom facilities. He motioned to authorize CEO Vigil to execute a Change Order as requested in the agenda summary. Board Member Kenneth Brown agreed and seconded the motion. The motion passed unanimously.
- 7) Authorize CEO Vigil to engage Carr, Riggs, & Ingram to assist with CARES Act Loan Application for Payroll Protection.
  - a) CEO Vigil explained the latest version of the Federal CARES Act allowed certain 501c6 organizations to be eligible for the Payroll Protection Program and that she would like to utilize Carr, Riggs & Ingram as they are already familiar with the finances of Destination Panama City and have the

information readily available due to their work on the annual audit. CEO Vigil requested authorization to execute an engagement letter not to exceed \$2,500 for the purposes of making the PPP loan application.

#### 8) CEO Update

- a) CEO Vigil discussed the following topics: Sunset Serenade, Credit Card Points to be used for Office Equipment and as prizes for tourism partners to encourage more active participation, Citizen & Employee Academy involvement, event updates, and the ongoing construction of the building.
- b) CEO Vigil presented the Board with two MarCom Awards for Print Media –
   Brochure and Writing Brochure that were received by Destination Panama
   City for their hard work on the Panama City Visitor's Guide.
- 9) Adjournment

Panama City Community Development Council dba Destination Panama City Agenda Item Summary									
1. PRESENTER NAME: Jennifer M. Vigil President & CEO		04/27/2021							
2. REQUESTED MOTION/AC Approve Financial Reports	frion: for period ending March 31, 2021								
4. AGENDA  PRESENTATION PUBLIC HEARING CONSENT REGULAR  5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO IF NO, STATE ACTION REQUIRED BUDGET ACTION: FINANCIAL IMPACT SUMMARY STATEMENT: DETAILED ANALYSIS ATTACHED?: YES NO DETAILED ANALYSIS ATTACHED?: YES NO									
	ed the Financial reports. Staff request approva								

#### Panama City Community Development Council, Inc. Statement of Net Position, UNAUDITED March 31, 2021 Interim financial reporting; for internal management use only

Assets		
Cash and cash equivalents	\$	151,041
Accounts receivable		237,912
Prepaid expenses		-
Equipment & furniture		2,662
Allowance for depr/amort		(2,264)
Work in progress		68,927
Total assets	\$	458,278
Liabilities and Net Position		
Liabilities:		
Accounts payable	\$	59,053
Other accrued liabilities		26,534
Deposits		100,000
Total liabilities		185,587
Net position:		
Unrestricted net position		272,691
Total liabilities and net position	\$	458,278
rotal liabilities and het position	<del>,</del>	430,276

Final audited balances may vary from interim financial reports.

### Panama City Community Development Council, Inc. Statement of Revenues, Expenses, and Changes in Net Position *UNAUDITED*For the period ended March 31, 2021

Interim financial reporting; for internal management use only

Barrania	Adopted Budget	Budget Amendments	Amended Budget	Y-T-D Actual
Revenues: Intergovernmental:				
Bay County TDC Contract	\$ 1,071,040	) \$ -	\$ 1,071,040	\$ 913,936
Bay County Carry Forward Revenue	1,000,000		1,000,000	ý 515,550 -
Advertising revenue PC CDC	1,000,000	_	-	_
Total intergovernmental	2,071,040	-	2,071,040	913,936
Miscellaneous:				
Investment/Interest earnings			-	326
Private Contributions & Donations	-		=	=
Miscellaneous	-		-	-
Event booth rentals	-		-	-
Sponsorship revenue	-		-	-
Alcohol sales	-		-	-
Merchandise sales	-		-	-
Event ticket sales		_		-
Total miscellaneous	-	-	-	320
Total Revenues	2,071,040		2,071,040	914,262
Expenses:				
Personal services	275,292	2	275,292	113,660
Operating expenses:	2,0,25	•	270,202	110,00
Professional Services	10,000	10,000	20,000	11,85
Professional Services-DIB	-			10,42
Accounting & Auditing	21,000	)	21,000	22,00
Other Contractual Svcs	1,000		1,000	82
Other Contractual Svcs Dues	128,850		128,850	39,85
Travel and Per Diem	10,000		10,000	5
Non-staff Travel Expenses	5,000		5,000	
Communication Services	7,800		7,800	2,54
Freight & Postage Service	5,000		5,000	
Utility Services	3,000		3,000	2,91
Rental & Leases	10,000		20,000	16,93
Insurance	10,000		10,000	47
Repairs & Maintenance Svc	5,000		5,000	90-
Printing & Binding	10,000		10,000	6,18
Promotional Activities	240,349		290,349	214,41
Other Current Charges	10,000		10,000	1,10
Office Supplies	1,000		1,000	49
Operating Supplies	12,000		12,000	1,98
Books Publications Memberships	14,650		14,650	13,90
Training	2,500		2,500	8
Operational Reserve For Contingency	288,599		8,599	_
Capital Outlay:	200,551	(200,000)	0,555	
Buildings	1,000,000	210,000	1,210,000	562,79
Machinery & Equipment			-	
Total Expenses	2,071,040		2,071,040	1,023,393
Net change in net position	\$ -	\$ -	\$ -	\$ (109,131
Net position-beginning of year				381,822
Net position-end of year				\$ 272,691

 ${\it Final \ audited \ balances \ may \ vary \ from \ interim \ financial \ reports.}$ 

# Panama City Community Development Council, Inc.

**FINANCIAL STATEMENTS** 

September 30, 2020



12

#### INTRODUCTORY SECTION

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Performed in Accordance with Government Auditing Standards



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#### **INDEPENDENT AUDITORS' REPORT**

Board of Directors Panama City Community Development Council, Inc. Panama City, Florida

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

We have audited the accompanying financial statements of the business-type activities of the Panama City Community Development Council, Inc. (Council) (a nonprofit organization), a component unit of Bay County, Florida, as of and for the year ended September 30, 2020, and the related notes to financial statements, which collectively comprise the Council'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. 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 the Panama City Community Development Council, Inc. as of September 30, 2020, 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**

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 11, 2021, on our consideration of Panama City Community Development Council, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Panama City Community Development Council, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Panama City Community Development Council, Inc.'s internal control over financial reporting and compliance.

Carr, Rigge & Ingram, L.L.C.
Certified Public Accountants

Panama City Beach, Florida

March 11, 2021

## Panama City Community Development Council, Inc. Statement of Net Position

September 30, 2020	Business-type Activities - Enterprise Funds	
Assets		
Current assets		
Cash and cash equivalents	\$	473 <i>,</i> 505
Prepaids		2,875
Total current assets		476,380
Capital assets		
Construction in progress		68,927
Equipment, net		399
Total capital assets		69,326
Total assets		545,706
<b>Liabilities</b> Current liabilities		
Accounts payable and accrued expenses		63,884
Advance deposits		100,000
Total current liabilities		163,884
Total liabilities		163,884
Net position		
Net investment in capital assets		69,326
Unrestricted		312,496
Total net position	\$	381,822

## Panama City Community Development Council, Inc. Statement of Revenues, Expenses and Change in Net Position

Year Ended September 30, 2020	Business-type Activities - Enterprise Funds	
Operating Revenues	\$	799,500
Bay County TDC contract	Ş	•
Promotional program Contributions		60,935
Contributions		30
Total operating revenues		860,465
Operating Expenses		
Promotional activities		436,275
Facility maintenance		31,960
Depreciation		532
Insurance		3,974
Publications		24,661
Office		10,644
Other		13,970
Payroll		221,255
Postage and shipping		398
Professional services		143,539
Travel		4,692
Utilities, telephone and internet		10,707
Total operating expenses		902,607
Operating income (loss)		(42,142)
Nonoperating Revenues (Expenses)		
Interest income		2,881
Total nonoperating revenues (expenses)		2,881
Testa memoperatura de l'estate (estate de l'estate de		
Change in net position		(39,261)
Net position - beginning of year as previously	reported	203,873
Prior period adjustment (see Note 2)	<u> </u>	217,210
Net position - beginning of year as restated		421,083
Net position - end of year	\$	381,822

### Panama City Community Development Council, Inc. Statement of Cash Flows

			Cash Flow
Year Ended September 30, 2020	Business-type Activities - Enterp	rise Funds	
Operating Activities			
Cash received from intergovernmental reve	enue	\$	1,049,138
Cash received from miscellaneous operatin		Y	60,935
Cash paid to suppliers for goods and service			(677,369)
Cash paid to suppliers for goods and services			(217,498)
cash paid to employees for services			(217,430)
Net cash provided by operating activities			215,206
Capital and Related Financing Activities			
Purchase of capital assets			(68,927)
Net cash provided by (used in) capital and rel	lated financing activities		(68,927)
, , , , ,	<u> </u>		
Investing Activities			2.22:
Interest income			2,881
Net cash provided by (used in) investing activ	vities		2,881
Net change in cash and cash equivalents			149,160
Cash and cash equivalents - beginning of year	ar		324,345
Cash and cash equivalents - end of year		\$	473,505
Reconciliation of Operating Income (Loss)			
to Net Cash Provided by Operating			
Activities			
Operating income (loss)		\$	(42,142)
Adjustments to reconcile operating		Ų	(42,142)
income (loss) to net cash provided			
by operating activities			
Depreciation			532
Decrease in assets			332
Grant receivables			217,210
Accounts receivable, net			40,706
Prepaids			7,062
Increase (decrease) in liabilities			7,002
Accounts payable and accrued expen	ises		116
Unearned revenue			(8,278)
			(-,-: 0)
Total adjustments			257,348

\$

215,206

Net cash provided by operating activities

#### **Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Panama City Community Development Council, Inc. (Council) is a nonprofit corporation organized, on October 30, 2014, under Chapter 617 of the *Florida Statutes* whose purpose is to provide support for the Bay County Tourist Development Council, the Board of County Commissioners of Bay County, Florida, and where not in conflict with those two, the City of Panama City, Florida. The Council is designed to promote a positive image for Panama City, increase tourism, and coordinate the marketing efforts of the total tourism community. The Council is primarily funded from the tourist development taxes collected within the Panama City Tourist Development Tax District, provided through a contract with the Council and the Board of County Commissioners.

#### Reporting Entity

For financial reporting purposes, the Council is considered a component unit of Bay County, Florida. The Council'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 Council is a legally separate entity. The accounting policies of the Council conform to generally accepted accounting principles (GAAP) as applied to governmental units. The more significant accounting policies used by the Council 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 Council's fund is 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 Council'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.

#### **Prepaids**

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.

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

#### Capital Assets

Capital assets are defined by the Council as assets with initial, individual costs of more than \$1,000 and estimated useful lives in excess of one year. As the Council 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 Council is depreciated using the straight line method over the following estimated useful lives of 5-7 years.

#### **Compensated Absences**

The Council'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 and included with accounts payable and accrued expenses in the financial statements.

#### Categories and Classification of Fund Equity

Net position flow assumption — Sometimes the Council 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 considered to be applied. It is the Council's policy to consider restricted — net position to have been depleted before unrestricted — net position is applied.

#### **Revenues and Expenses**

Proprietary funds 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.

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **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 11, 2021 and determined there were no events that occurred that required disclosure.

#### Recently Issued and Implemented Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following 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.

In June 2018, GASB issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This

Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Recently Issued and Implemented 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 Council is currently evaluating the effects that the above statements will have on its financial statements.

#### **Note 2: PRIOR PERIOD ADJUSTMENT**

Subsequent to the issuance of the Council's audited financial statements as of and for the year ended, September 30, 2019, the Council received a \$217,210 grant for reimbursement of expenses incurred in the prior year. The prior period adjustment is to correct beginning equity for the receipt of these funds and correctly apply them against expenses incurred during the year ending September 30, 2019.

#### **Note 3: DETAILED NOTES**

#### **Deposits and Investments**

As of September 30, 2020, \$250,000 of the Council'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 Council pursuant to Section 280.08, Florida Statutes.

#### **Note 3: DETAILED NOTES (Continued)**

#### Capital Assets

The following is a summary of changes in capital assets during the year ended September 30, 2020:

	Bal	ance						Balance
	Septembe	er 30, 2019	r 30, 2019 In		(Decreases)		Sep	tember 30, 2020
Capital asset, not being depreciated								
Construction in progress	\$	-	\$	68,927	\$	-	\$	68,927
Total capital assets not								
being depreciated		-		68,927		-		68,927
								_
Capital asset, being depreciated								
Equipment		2,662		-		-		2,662
Accumulated depreciation		(1,731)		(532)		-		(2,263)
Total capital assets								
being depreciated		931		(532)		-		399
		004		60.005				50.005
Total capital assets, net	\$	931	Ş	68,395	\$	-	\$	69,326

Depreciation expense of \$532 was recorded during the year ended September 30, 2020.

#### **Note 4: ECONOMIC DEPENDENCY**

The Council is substantially funded by taxes collected by the Bay County Tourist Development Council provided through a contract with the Council and the Bay County Board of County Commissioners. If this contract were to be discontinued, it would have a material impact on the financial operations of the Council. As of September 30, 2020, Bay County is maintaining funds of \$1,913,060 related to taxes collected for the Panama City Tourist Development Tax District. During fiscal year ended September 30, 2020, the Council paid Bay County Clerk \$37,126 for administration costs of collecting the Panama City Tourist Development Tax.

#### **Note 5: RELATED PARTY TRANSACTIONS**

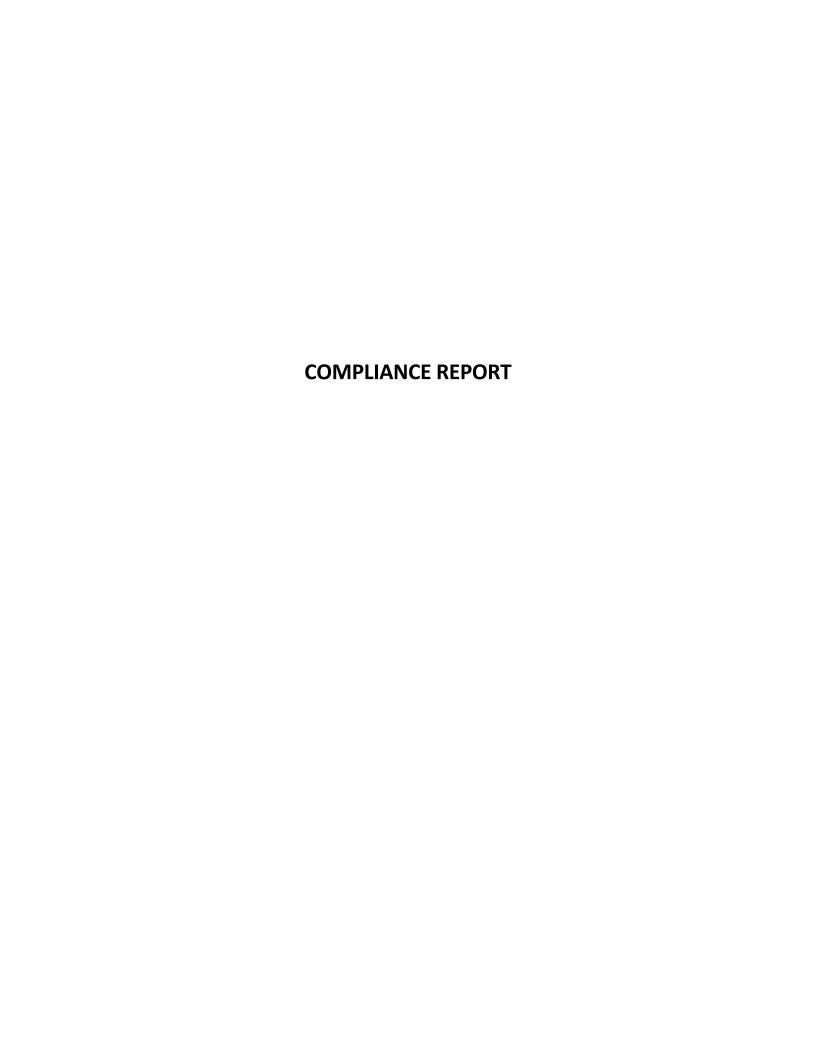
The Commissioners of the City of Panama City (City) serve as five of the seven members of the Board of the Council. The accounting staff of the City also provides accounting services for the Council. During the year ended September 30, 2020, the Council paid the City \$13,500 for accounting services. As of September 30, 2020, no amounts are due to the City for accounting services.

#### Note 6: CONTINGENCY RESERVE

The Bay County Board of County Commissioners maintains a contingency reserve for the Council. The reserve is funded by all annual unappropriated cash carryforward amounts from tourist development tax revenues and any current year tourist development tax revenues approved for reservation. No maximum reserve amount has been set. The reserve will be funded to a balance of \$500,000, from a portion of annual tax receipts, limited to no less than 10% nor more than 15% of annual receipts. Once met, the balance should not be reduced below \$500,000. This reserve may be accessed by the Council with approval of the Bay County Board of County Commissioners. Funds may be accessed 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 opportunities. As of September 30, 2020, the County's reserve balance was \$500,000.

#### **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 Council. 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 11, 2021.





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## 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 Community Development Council, Inc.
Panama City, 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 Community Development Council, Inc. (a nonprofit organization), a component of Bay County, Florida, as of and for the year ended September 30, 2020, and the related notes to financial statements, which collectively comprise the Panama City Community Development Council, Inc.'s basic financial statements as listed in the table of contents, and have issued our report thereon dated March 11, 2021.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Panama City Community Development Council, 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 Community Development Council, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Panama City Community Development Council, 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 a certain deficiency in internal control, described below that we considered to be a material weakness.

Condition: A number of proposed audit adjustments to the financial statements were necessary in order for the financial statements to conform to generally accepted accounting principles.

Cause: The Council's internal controls did not identify the necessary adjustments timely.

Criteria: Internal controls should prevent, or detect and correct adjustment timely to provide materially correct financial information.

Effect: The auditors had to propose a number of adjusting journal entries in order for the financial statements to be in accordance with generally accepted accounting principles.

Recommendation: We recommend the accounting staff continue to strive toward identifying required adjusting journal entries more timely.

Views of Responsible Officials and Planned Corrective Action: Management agrees with auditors' recommendation.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Panama City Community Development Council, 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*.

#### Panama City Community Development Council, Inc.'s Response to Finding

Panama City Community Development Council, Inc.'s response to the finding identified above in the Views of Responsible Officials and Planned Corrective Action was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

#### **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.

Can, Rigge & Ingram, L.L.C.

Certified Public Accountants Panama City Beach, Florida March 11, 2021

Panama City Community Development Council dba Destination Panama City Agenda Item Summary										
1. Presenter Name:  Jennifer M. Vigil  2. MEETING DATE:										
President & CEO		04/27/2021								
3. REQUESTED MOTION/AC	CTION:									
Motion to Accept TDT Reve	enue Reports for as presented.									
4. AGENDA  PRESENTATION PUBLIC HEARING CONSENT REGULAR	5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES DETAILED ANALYSIS ATTACHED?: YES NO	YES □ NO □ IF NO, STATE ACTION REQUIRED □ N/A								
6. BACKGROUND: (why is the	E ACTION NECESSARY, <u>WHAT</u> ACTION WILL BE ACCOMPLISHED, (	who, where, when & how)								
Clerk of Court TDT division	n collects revenue and provides the attached rep	oorts.								



540,736.56 FY20 YTD 323,026.75 FY19 YTD 536,566.24 FY18YTD 562,943.00 FY17YTD 553,401.44 FY16YTD 351,398.26 FY15YTD

# **TDT Monthly Analysis**

	% change	FY21		FY20	% change	FY19	% change	FY18	% change	<u>FY17</u>	% change	FY16	% change	FY15
						5.00%		5.00%		5.00%		5.00%		5.00%
ост	3.96%	128,768.79	131.67%	123,861.73	-47.21%	53,465.19	-10.17%	101,281.73	19.23%	112,754.00		94,571.27		-
NOV	10.90%	101,630.73	123.84%	91,643.79	-41.31%	40,942.54	-4.86%	69,765.50	11.00%	73,327.00		66,059.88		-
DEC	-4.60%	78,649.26	118.73%	82,443.03	-45.66%	37,691.14	5.63%	69,355.65	5.76%	65,657.00		62,079.90		-
JAN	-1.34%	78,908.76	57.93%	79,980.05	-23.33%	50,642.49	-6.09%	66,053.88	-10.00%	70,339.00	23.92%	78,155.39		63,069.50
FEB	17.96%	87,288.10	23.55%	73,996.73	-27.20%	59,891.56	-3.94%	82,266.95	-7.72%	85,637.00	5.64%	92,804.00		87,845.52
MAR	116.52%	192,292.90	10.47%	88,811.23	-45.62%	80,393.83	-4.76%	147,842.53	-2.82%	155,229.00	-20.33%	159,731.00		200,483.24
APR			-41.19%	66,107.75	-24.44%	112,406.97	-0.32%	148,755.72	-2.61%	149,230.00	17.10%	153,227.00		130,848.26
MAY			-26.75%	102,481.39	-12.71%	139,913.92	0.48%	160,287.99	4.75%	159,517.00	4.15%	152,286.00		146,220.71
JUN			49.20%	280,201.96	-21.88%	187,808.86	17.94%	240,405.16	-3.22%	203,829.00	4.32%	210,619.00		201,906.34
JUL			-23.78%	176,685.02	-15.73%	231,805.34	4.60%	275,072.33	-1.10%	262,982.00	11.66%	265,911.00		238,143.02
AUG			-20.35%	125,871.61	19.03%	158,028.14	7.51%	132,766.82	14.11%	123,488.00	-8.34%	108,223.00		118,070.60
SEP			6.24%	132,963.41	7.07%	125,158.45	2.78%	116,889.75	14.31%	113,733.00	3.74%	99,494.00		95,907.58
TOTAL	23.45%	667,538.54	11.49%	1,425,047.70	-20.65%	1,278,148.43	2.22%	1,610,744.01	2.11%	\$ 1,575,722	20.32%	\$ 1,543,161	\$	1,282,495
			<del>-</del>		•		•			<del>-</del>	2 06%	<del>-</del>		

Panama City Community Development Council dba Destination Panama City Agenda Item Summary				
1. PRESENTER NAME:		2. MEETING L	DATE:	
Jennifer Vigil President & CEO		01/26/2021	04/27/2021 - revision	
3. REQUESTED MOTION/AC Approval of Destination Pa	nama City Facility Request Form Procedures &	-		
4. AGENDA  PRESENTATION  PUBLIC HEARING  CONSENT  REGULAR	5. IS THIS ITEM BUDGETED (IF APPLICABLE)?:  BUDGET ACTION: FINANCIAL IMPACT SUMMARY STATEMENT:  DETAILED ANALYSIS ATTACHED?: YES \( \subseteq \text{NO} \subseteq \)	YES □ No □ IF No,	STATE ACTION REQUIRED 🗌 N/A	
	E ACTION NECESSARY, WHAT ACTION WILL BE ACCOMPLISHED, (	WHO, WHERE, WHE	и & ноw)	
_	experience with Hurricane Michael that the assistance because we did not have a space t			
Our intention is to make spaces available that may be requested and reserved for public use, for the benefit of				

Our intention is to make spaces available that may be requested and reserved for public use, for the benefit of visitors, citizens, businesses, and organizations, and to ensure the Visitor's Center will qualify for FEMA assistance in the event of a future natural disaster. Procedures, policy, and fees are comparable to similar facilities that were researched in Panama City.

Staff recommends approval of proposed *Destination Panama City Facility Request Form Procedures and Policy* and proposed *Destination Panama City Facility Request Web Form* for Visitor's Center requests and reservations with the knowledge that changes to these procedures and policy may be made at the discretion of CEO Vigil.

- \*Attached is proposed Destination Panama City Facility Request Form Procedures and Policy.
- \*Attached is proposed Destination Panama City Facility Request Web Form.

4/26/21 Update -

Per Board direction, DPC made revisions to the Facility Use Policy. Fees were slightly increased, a 14-day cancellation policy was included, a non-refundable deposit to hold date was added, fees for green space has been included, discounts for citizens of Panama City for private functions and entities partnering with Panama City lodging partners was also included.

### Destination Panama City Facility Request Form Procedures and Policy

#### **PROCEDURES**

#### **Facility Reservation Requests**

• All requests will be made via web form on DestinationPanamaCity.com

#### **Point of Contact**

 info@destinationpanamacity.com will be used to collect form responses & make google calendar appointments.

#### **Certificate of Insurance**

- Upon notifying reserving parties with approval of request, a link to purchase event insurance (with instructions and deadline) will be included for those who do not already have event insurance: <a href="https://www.theeventhelper.com/">https://www.theeventhelper.com/</a>
- Cost of insurance for reserving parties will vary based on event type, event size, and the
  presence of alcohol.

#### **Collection of Reservation Fees**

- Upon notifying reserving parties with approval of request, a non-refundable deposit and/or total fees will be required via check or cash (does not apply to non-profit events).
- Cancellation Policy:
  - o Cancellations 14 days prior to scheduled events will result in loss of deposit.
  - Non-payment by 14 days prior to event will result in cancellation of event.
  - Cancellations within 14 days of scheduled events are subject to a 50% retainage penalty.

#### **Submittal Confirmation:**

- Form responses immediately emailed to requesting party.
- Confirmation message: Thank you for your request! Your responses have been emailed to you, and a Destination Panama City team member will contact you within two working days. If you have any questions, please contact 850-215-1700 or info@destinationpanamacity.com.

#### **POLICY**

(The following information is required of requesting/reserving parties.)

#### **Event Name/Type**

#### Indicate Repeating/Non-Repeating Event

(All repeating events are subject to approval.)

#### **Event Date & Start Time**

#### **Reservation Requested**

- Discounts
  - o Citizen Rate
    - 20% discount for private citizen events (ie: weddings, baby showers, etc.)
    - Not applicable to non-profit/commercial reservations
    - Panama City Hotel Partner Rate
      - 10% discount for any groups partnering with Panama City Hotels
- Regular Rates
  - o Interior Spaces & Observation Deck
    - M-F Half Days (8am-12pm, 11am-2pm, 1-5pm)
      - For-Profit = \$100
        - Non-refundable deposit of \$100 due upon approval of reservation request.
        - Cancellation Policy:
          - Non-payment by 14 days prior to event will result in cancellation of event.
          - Cancellations 14 days prior to scheduled events will result in loss of deposit.
          - 50% retainage penalty for cancellations within 14 days of scheduled event.
      - Non-Profit = \$50
        - o No Deposit Required
        - o Full amount of \$50 due 14 days prior to scheduled event.
        - Cancellation Policy:
          - Non-payment by 14 days prior to event will result in cancellation of event.
          - 50% penalty for cancellations within 14 days of scheduled event.
    - M-F Evenings (5-9pm)

- \$300
  - Non-refundable deposit of \$100 due upon approval of reservation request.
  - Cancellation Policy:
    - Non-payment by 14 days prior to event will result in cancellation of event.
    - Cancellations 14 days prior to scheduled events will result in loss of deposit.
    - 50% penalty for cancellations within 14 days of scheduled event.
- Grassy Area
  - M-F Half Days (8am-12pm, 11am-2pm, 1-5pm)
    - \$100
    - Non-refundable deposit of \$100 due upon approval of reservation request.
    - Cancellation Policy:
      - Non-payment by 14 days prior to event will result in cancellation of event.
      - Cancellations 14 days prior to scheduled events will result in loss of deposit.
      - 50% penalty for cancellations within 14 days of scheduled event.

#### **Duration of Set-Up/Tear-Down Time Needed**

#### **Number of People Expected**

#### **Individual/Organization Contact Info**

Name

Billing Address

Email

Phone

#### **Facilities Needed**

(Requesting/reserving parties check all that apply. All rooms are included in flat reservation fee.)

- Meeting Space (499 sqft, 32 max. occupancy)
- Conference Room (249 sqft, 16 max. occupancy)
- Observation Deck (615 sqft, 42 max. occupancy)
- Grassy Area (7200 sqft max occupancy = 300 max. occupancy)
  - \*This area may be closed off to the public for private events. The use of event tent(s) is subject to approval.
- Kitchen

#### **Equipment Needed**

(\$150 Furniture Arrangement Fee is required for any configuration other than standard 9-table arrangement.)

- Tables (6ft round)
  - o Included 15 tables for indoor/outdoor use
- Linens (6ft round)
  - o Black tablecloths available to rent at \$1/ea
  - Other colors will need to be secured by a third party vendor
- Extra tables (8ft rectangular)
  - o 5 available
  - o 2 included without fee
  - \$10/table for each extra
- Linens (8ft rectangular)
  - o Black tablecloths available to rent at \$1/ea
  - o Other colors will need to be secured by a third party vendor
- Chairs (included)
- Podium (included)

#### **Audio-Visual Needed**

(Requesting/reserving parties check all that apply. In-house sound system and essential cables and adapters included with selected equipment.)

- TV/Remote
- Handheld Wireless Microphone/Stand

#### Acknowledgement of Disclosures/Other Fees:

- Reservation Fee
  - I understand that a Deposit or Reservation Fee may be due upon approval of this request and \*cancellation of reservation may result in a fee.
  - Cancellation Policy: Non-payment by 14 days prior to events will result in cancellation of events, cancellations 14 days prior to scheduled events will result in loss of deposit, and cancellations within 14 days of scheduled events are subject to a 50% penalty.
- Certificate of Insurance/Purchase Event Insurance from eventhelper.com
  - I understand that I am required to provide a Certificate of Insurance or will purchase \*event insurance from a Destination Panama City recommended third-party provider upon approval of this request.
  - \*Prices vary based on type of event.
- Cleaning Fee
  - I understand that, at the discretion of Destination Panama City, if venue spaces used by my event are not returned to their original state upon departure I may be subject to a cleaning fee of \$100 or more.
- Damage to Equipment and Property

0	I understand that damage to any and all Destination Panama City equipment or property incurred by myself or anyone in attendance of my event will be filed against my event insurance policy.
(Changes to <sub>l</sub>	procedures and policy may be made at the discretion of CEO Vigil.)