VISIT Sarasota COUNTY

LONGBOAT KEY | ST. ARMANDS | LIDO KEY | SIESTA KEY | CASEY KEY
VENICE | MANASOTA KEY | ENGLEWOOD | NORTH PORT

Florida Statute 288.1226 (13)(c)

June 30, 2025

Florida Office of the Governor
Florida Senate
Florida Speaker of the House

Re: Florida Statute 288.1226 (13)(c)

Dear Governor DeSantis, Senator Albritton, and Speaker Perez:

Please accept this letter and enclosed report as Visit Sarasota County's partner financial submission per Florida Statute 288.1226(13)(c).

If you need additional information, please feel free to contact me directly.

Sincerely,

Erin Duggan, CDME
President & CEO
eduggan@visitsarasota.com

COMBINED FINANCIAL STATEMENTS

SARASOTA CONVENTION AND VISITORS BUREAU, INC. D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF SARASOTA COUNTY VISITOR SERVICES, INC.

September 30, 2024 and 2023

HBK®
CPAs & Consultants

CONTENTS

January 9, 2025

Board of Directors
Sarasota Convention and Visitors Bureau, Inc.
d/b/a Visit Sarasota County and Friends of
Sarasota County Visitor Services, Inc.
Sarasota, Florida

Independent Auditor's Report

Opinion

We have audited the accompanying combined financial statements of Sarasota Convention and Visitors Bureau, Inc. d/b/a Visit Sarasota County and Friends of Sarasota County Visitor Services, Inc. (the Organization), which comprise the combined statements of financial position as of September 30, 2024 and 2023, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Sarasota Convention and Visitors Bureau, Inc. d/b/a Visit Sarasota County and Friends of Sarasota County Visitor Services, Inc. as of September 30, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sarasota Convention and Visitors Bureau, Inc. d/b/a Visit Sarasota County and Friends of Sarasota County Visitor Services, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sarasota Convention and Visitors Bureau, Inc. d/b/a Visit Sarasota County and Friends of Sarasota County Visitor Services, Inc.'s ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

HILL, BARTH & KING LLC | 1777 MAIN STREET, SUITE 301 | SARASOTA, FL 34236 | TEL 941-957-4242 | FAX 941-366-4296 | HBKCPA.COM

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Hill, Barth & King LLC

Certified Public Accountants

COMBINED STATEMENTS OF FINANCIAL POSITION

SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.

September 30, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**$ 707,665**	$ 700,638
Certificates of deposit	**335,237**	170,468
Accounts receivable	**16,448**	36,860
Income tax refund receivable	**0**	1,916
Due from Sarasota County	**1,041,893**	745,706
Prepaid expenses	**201,949**	70,242
TOTAL CURRENT ASSETS	**2,303,192**	1,725,830
PROPERTY AND EQUIPMENT - NOTE B	**140,675**	34,517
OTHER ASSETS		
Operating lease right-of-use assets - NOTE C	**161,466**	158,124
Finance lease right-of-use assets - NOTE C	**4,915**	7,373
Deposits	**11,375**	11,375
TOTAL OTHER ASSETS	**177,756**	176,872
TOTAL ASSETS	**$ 2,621,623**	$ 1,937,219
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	**$ 392,328**	$ 168,925
Accrued payroll and benefits	**51,208**	48,222
Deferred revenue	**149,313**	174,749
Current portion of operating lease liabilities - NOTE C	**89,814**	133,827
Current portion of finance lease liabilities - NOTE C	**2,568**	2,466
TOTAL CURRENT LIABILITIES	**685,231**	528,189
LONG-TERM LIABILITIES		
Operating lease liabilities, less current portion - NOTE C	**68,548**	23,692
Finance lease liabilities, less current portion - NOTE C	**2,447**	5,015
TOTAL LONG-TERM LIABILITIES	**70,995**	28,707
NET ASSETS		
Without donor restrictions	**1,865,397**	1,380,323
TOTAL LIABILITIES AND NET ASSETS	**$ 2,621,623**	$ 1,937,219

See accompanying notes to combined financial statements

COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.

Years ended September 30, 2024 and 2023

		2024	2023
REVENUE			
Management services		**$ 1,314,927**	$ 1,302,093
Membership dues and related income		**492,687**	465,703
Visitor guide		**182,979**	181,579
Special events		**21,668**	32,463
Rental income		**56,799**	51,586
Other income		**152,872**	24,309
	TOTAL REVENUE	**2,221,932**	2,057,733
EXPENSES			
Program services		**1,459,771**	1,431,491
Membership development		**112,719**	124,844
Management and general		**164,368**	163,604
	TOTAL EXPENSES	**1,736,858**	1,719,939
	INCREASE IN NET ASSETS	**485,074**	337,794
NET ASSETS			
Beginning of year		**1,380,323**	1,048,086
ASC 842 implementation		**0**	(5,557)
End of year		**$ 1,865,397**	$ 1,380,323

See accompanying notes to combined financial statements

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.

Year ended September 30, 2024

	Program Services	Membership Development	Management and General	Total
EXPENSES				
Advertising and promotion	$ 77,805	$ 0	$ 8,645	$ 86,450
Amortization	2,212	0	246	2,458
Bank fees	0	0	3,254	3,254
Depreciation	17,298	0	1,922	19,220
Dues and subscriptions	2,271	0	252	2,523
Grant expense	10,010	0	0	10,010
Insurance	7,846	0	872	8,718
Licenses and fees	0	0	175	175
Meetings	6,318	0	702	7,020
Office expense	12,739	0	1,416	14,155
Operating lease expense	56,471	0	6,275	62,746
Partner development	0	5,354	0	5,354
Payroll taxes and benefits	179,077	15,303	19,898	214,278
Professional fees	27,332	0	3,037	30,369
Repairs and maintenance	54,844	0	6,094	60,938
Salaries and wages	990,877	71,080	110,098	1,172,055
Sales tax on leases	2,963	0	329	3,292
Special events	0	20,982	0	20,982
Staff development	10,373	0	1,153	11,526
Travel	955	0	0	955
Visitors' center	380	0	0	380
TOTAL EXPENSES	$ 1,459,771	$ 112,719	$ 164,368	$ 1,736,858

See accompanying notes to combined financial statements

SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.

Year ended September 30, 2023

	Program Services	Membership Development	Management and General	Total
EXPENSES				
Advertising and promotion	$ 73,220	$ 0	$ 8,136	$ 81,356
Amortization	2,212	0	246	2,458
Bank fees	0	0	4,573	4,573
Depreciation	15,913	0	1,768	17,681
Dues and subscriptions	3,437	0	382	3,819
Insurance	6,578	0	731	7,309
Licenses and fees	0	0	324	324
Meetings	6,174	0	686	6,860
Office expense	6,049	0	672	6,721
Operating lease expense	52,099	0	5,789	57,888
Partner development	0	5,018	0	5,018
Payroll taxes and benefits	176,408	15,303	19,601	211,312
Professional fees	70,792	0	7,866	78,658
Repairs and maintenance	34,940	0	3,882	38,822
Salaries and wages	969,050	71,080	107,672	1,147,802
Sales tax on leases	7,842	0	871	8,713
Special events	0	33,443	0	33,443
Staff development	3,649	0	405	4,054
Travel	3,128	0	0	3,128
TOTAL EXPENSES	$ 1,431,491	$ 124,844	$ 163,604	$ 1,719,939

See accompanying notes to combined financial statements

COMBINED STATEMENTS OF CASH FLOWS

SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.

Years ended September 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	**$ 485,074**	$ 337,794
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	**19,220**	17,681
Amortization of operating lease right-of-use assets	**131,327**	119,318
Amortization of finance lease right-of-use assets	**2,458**	2,458
Interest earned on certificates of deposit	**(14,769)**	(744)
(Increase) decrease in operating assets:		
Accounts receivable	**20,412**	(11,802)
Income tax refund receivable	**1,916**	40,922
Due from Sarasota County	**(296,187)**	(121,965)
Prepaid expenses	**(131,707)**	39,851
Increase (decrease) in operating liabilities:		
Accounts payable	**223,403**	(135,487)
Accrued payroll and benefits	**2,986**	(4,923)
Deferred revenue	**(25,436)**	6,631
Deferred compensation	**0**	(16,971)
Operating lease liabilities	**(133,827)**	(125,462)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**284,870**	147,301
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	**(125,377)**	(27,716)
Purchase of certificate of deposit	**(150,000)**	(169,724)
NET CASH USED IN INVESTING ACTIVITIES	**(275,377)**	(197,440)
CASH FLOWS FROM FINANCING ACTIVITIES		
Prinicpal payments on finance lease liabilities	**(2,466)**	(2,368)
NET CASH USED IN FINANCING ACTIVITIES	**(2,466)**	(2,368)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**7,027**	(52,507)
CASH AND CASH EQUIVALENTS		
Beginning of year	**700,638**	753,145
End of year	**$ 707,665**	$ 700,638

See accompanying notes to combined financial statements

**SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.**

September 30, 2024 and 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations:
Sarasota Convention and Visitors Bureau, Inc. (the Organization) was incorporated on July 6, 1982, under the laws of the State of Florida as a not-for-profit organization to advance and develop tourism within Sarasota County (the County). The d/b/a Visit Sarasota County was registered with the State of Florida effective April 19, 2012. As provided for within Chapter 125 of Florida Statutes and 114 of Sarasota County Code, the Organization is the official marketing organization for the County. Effective January 1, 2013, Friends of Sarasota County Visitor Services, Inc. (Friends) was registered with the State of Florida as a not-for-profit organization for purposes of providing visitor services to more of Sarasota County through use of a mobile visitor's center to be funded by local businesses. By virtue of the common management, the accounts of Friends are combined in the accompanying combined financial statements with the accounts of the Organization as of January 1, 2013.

Governed by annual contracts with the County, the primary responsibility of the Organization is to manage and administer the Sarasota County Tourism Business Plan funded by the Tourist Development Tax Proceeds. The Organization earns revenues from the County for performance of management and administration services detailed in the contract. As part of the services performed for this fee, the Organization acts as an agent between the County and the various vendors providing tourist related goods or services. The Organization pays vendors on the County's behalf and receives reimbursements from the County or the Organization provides documentation to the County for direct payment of goods and services. These reimbursements and direct payments are not recorded as revenues, because the Organization is acting as an agent in these transactions.

The Organization operates visitors' centers and has corporate office space in Sarasota, Florida. The Organization also obtains private sector funding, as required by the contract with the County, in the form of membership dues, revenues from selling advertising space within the visitor guide, cooperative advertising efforts, and retail sales at the visitors' center. Friends was established for the purpose of operating a mobile visitor center and to provide a means to solicit tax deductible contributions.

Combination:
The accompanying combined financial statements include the accounts of Sarasota Convention and Visitors Bureau, Inc. d/b/a Visit Sarasota County and Friends of Sarasota County Visitor Services, Inc., which are collectively referred to as the Organization. All significant intercompany accounts and transactions have been eliminated in combination. On December 12, 2023, the board of directors approved to dissolve Friends of Sarasota County Visitor Services, Inc.

Recently Adopted Accounting Guidance:
In June 2016, the Financial Accounting Standards Board (FASB) issued guidance, Accounting Standards Codification (ASC) 326 which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Company that are subject to the guidance in FASB ASC 326 were accounts receivable and receivables due from Sarasota County. The Company adopted the standard effective October 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

**SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.**

September 30, 2024 and 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting:
The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates:
The preparation of combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation:
The Organization follows the standards of accounting and financial reporting of Not-for-Profit Organizations, which requires the net assets of the Organization and changes therein to be classified and reported as follows:

> Net assets without donor restrictions: Net assets are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management.
>
> Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no net assets with donor restrictions at September 30, 2024 and 2023.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires or is satisfied, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities and changes in net assets. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization records the support as net assets without donor restrictions. The Organization did not receive any contributions with donor imposed restrictions during the years ended September 30, 2024 and 2023.

Revenue Recognition:
Membership dues, visitor guide and co-op advertising revenues are initially deferred, and the revenue is recognized as it is earned. Management service revenues are recognized ratably over the term of the contract. Contributions and other nonexchange revenues are recognized at the time of receipt.

Cash and Cash Equivalents:
Cash and cash equivalents include all cash balances and highly liquid investments with an initial maturity of three months or less.

Certificates of Deposit:
The Company classifies its certificates of deposit as cash and cash equivalents or short-term investments and reassesses the appropriateness of the classification of its investments at the end of each reporting period. Certificates of deposit held for investment with an original maturity greater than three months are carried at amortized cost and reported as short-term investments on the combined statements of financial position.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Credit Losses:
Accounts receivable are stated at their estimated collectible amounts and comprise of amounts due from members for annual membership fees, visitors guide and co-op advertising. The Company extends credit to customers in the normal course of business. Collections from customers are continuously monitored and an allowance for credit losses is maintained based on historical experience adjusted for current conditions and reasonable forecasts considering geographical and industry-specific economic factors. The Company also considers any specific customer collection issues. Since the Company's accounts receivable are largely similar, the Company evaluates its allowance for credit losses as one portfolio segment. At origination, the Company evaluates credit risk based on a variety of credit quality factors including prior payment experience, customer financial information, credit ratings, probabilities of default, industry trends and other internal metrics. On a continuing basis, data for each major customer is regularly reviewed based on past-due status to evaluate the adequacy of the allowance for credit losses; actual write-offs are charged against the allowance.

Due from Sarasota County:
Due from Sarasota County consists of management and administration fees receivable, which is stated at the amount per the contract with the County. Also included are amounts due to the Organization for tourism related expenses paid on behalf of the County.

Property and Equipment:
Property and equipment is recorded at cost, less accumulated depreciation. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management annually reviews these assets to determine whether carrying values have been impaired. Depreciation is provided over the estimated useful lives of their respective assets using the straight-line method. Estimated useful lives range from 3 to 9 years.

Leases:
The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the combined statements of financial position. Finance leases are included in property and equipment and finance lease liabilities on the combined statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Organization's leases do not provide an implicit rate, a risk-free rate is utilized based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU assets also include any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Certain of the Organization's lease agreements include rental payments based on changes in the Consumer Price Index (CPI). Lease liabilities are not remeasured as a result of changes in the CPI; instead, changes in the CPI are treated as variable lease payments and are excluded from the measurement of the right-of-use asset and lease liability. These payments are recognized in the period in which the related obligation was incurred.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued):
The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Organization subleases certain space to third parties. The sublease consists of an operating lease for office space within the building where the headquarters are located. The term of the sublease agreement began on October 1, 2022, for a 12-month term with annual automatic renewals, unless notice of non-renewal is provided by either party at least 90-days prior to the annual renewal date. Sublease income recognized was $56,799 and $51,586 for the years ended September 30, 2024 and 2023, respectively.

Functional Allocation of Expenses:
The costs of providing program and supporting services have been summarized on a functional basis. Costs are allocated between management and general, membership development, or program services based on evaluations of the related benefits. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Taxes:
The Organization is a not-for-profit organization exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code and is exempt from similar state and local taxes. Although the Organization was granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." Such income, pursuant to the Internal Revenue Code and related regulations, includes all advertising related income. The Organization has not been classified as a private foundation and incurred $0 in unrelated business income tax for the years ended September 30, 2024 and 2023. Friends received acceptance of exempt status under Section 501(c)(3) of the Internal Revenue Code during the year ended September 30, 2014.

Advertising and Promotion:
Purchased advertising media is expensed when the related media is published or broadcast. Costs incurred in advance of an advertising program, such as printing and production, are recorded as prepaid expenses until the corresponding media is published or broadcast; at which time it is expensed. Other advertising costs are charged to operations as incurred.

Reclassifications:
The financial statements for 2023 have been reclassified to conform with the presentation for 2024. Such reclassifications had no effect on net results of operations.

Subsequent Events:
Management evaluated all activity of the Organization through January 9, 2025, the date the combined financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition or disclosure in the combined financial statements.

**SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.**

September 30, 2024 and 2023

NOTE B - PROPERTY AND EQUIPMENT

Property and equipment are summarized as follows at September 30:

	2024	2023
Furniture and fixtures	$ 29,029	$ 24,393
Office equipment	192,377	130,635
Leasehold improvements	25,064	25,064
	246,470	180,092
Less accumulated depreciation	105,795	145,575
NET PROPERTY AND EQUIPMENT	$ 140,675	$ 34,517

Depreciation expense for the years ended September 30, 2024 and 2023 was $19,220 and $17,681, respectively.

NOTE C - LEASES

The Organization has operating and finance leases for office space, Visitor Centers, and office equipment, one of which includes an option to extend the lease for up to 1 year. As of September 30, 2024 and 2023, assets recorded under finance leases were $9,831 and accumulated depreciation associated with finance leases was $4,916 and $2,458, respectively. For the years ended September 30, 2024 and 2023, the Organization obtained operating lease right-of-use assets in exchange for lease obligations totaling $134,670 and $89,022, respectively.

The components of lease expense for the years ended September 30, 2024 and 2023 is as follows:

	2024	2023
Operating lease cost	$ 135,284	$ 127,558
Finance lease cost:		
Amortization of right-of-use assets	$ 2,458	$ 2,458
Interest on lease liabilities	258	356
TOTAL FINANCE LEASE COST	$ 2,716	$ 2,814

NOTE C - LEASES (CONTINUED)

Other information related to leases for the years ended September 30, 2024 and 2023 is as follows:

	2024	2023
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	**$ 134,670**	$ 89,022
Weighted average remaining lease terms:		
Operating leases	**1.75 years**	1.19 years
Finance leases	**2.00 years**	3.00 years
Weighted average discount rate:		
Operating leases	**3.68%**	4.13%
Finance leases	**4.06%**	4.06%

Future minimum lease payments under non-cancellable leases as of September 30, 2024 are as follows:

	Operating	Finance
2025	**$ 93,580**	$ 2,724
2026	**69,686**	2,497
Total future minimum payments	**163,266**	5,221
Less remaining imputed interest	**4,904**	206
Total	**$ 158,362**	$ 5,015

NOTE D - CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents. The Organization maintains its cash and cash equivalents with major banks and financial institutions. At any given time, the Organization may have cash balances exceeding the federal depository insurance coverage limits. The Organization has not experienced any losses in such accounts and does not believe such accounts are exposed to any significant credit risk.

The Organization receives a substantial amount of its support from the County in the form of the management and administration fees and various forms of revenues from local organizations. The loss of the contract with the County, a significant reduction in the level of tourist development taxes collected by the County, or a severe economic downturn may have a materially adverse effect on the financial position and operations of the Organization. Management and administration service revenue from the County represents 59% and 64% of total revenues for the years ended September 30, 2024 and 2023, respectively.

**SARASOTA CONVENTION AND VISITORS BUREAU, INC.
D/B/A VISIT SARASOTA COUNTY AND FRIENDS OF
SARASOTA COUNTY VISITOR SERVICES, INC.**

September 30, 2024 and 2023

NOTE E - RETIREMENT PLAN

The Organization has established a Savings Incentive Match Plan for Employees (SIMPLE) Individual Retirement Account (IRA) Plan for eligible employees. To become eligible to participate in the Plan, the employee must have earned $5,000 during any two preceding years and be reasonably expected to earn such amount during the year of eligibility. The Organization made matching contributions equal to 100% of the participating employees' elective deferrals not exceeding 3% of the employees' compensation. Retirement expense, included in payroll taxes and benefits in the accompanying combined statements of activities and changes in net assets, for the years ended September 30, 2024 and 2023 was $28,928 and $29,029, respectively.

NOTE F - CONTRACT REIMBURSEMENTS AND DIRECT PAYMENTS

The Organization's contract with the County for the years ended September 30, 2024 and 2023 allocated a sum not to exceed $7,800,000 and $5,890,000, respectively, for tourism promotion related expenses including the Organization's fee for management.

For the years ended September 30, 2024 and 2023, the Organization submitted $7,120,920 and $5,574,568 in invoices to the County for expenses including the management fee revenue of $1,314,927 and $1,302,093, respectively. The expenses incurred in the years ended September 30, 2024 and 2023 were less than the total sums allocated by the County by $679,080 and $315,432, respectively, during each fiscal year. These amounts under budget are held by the County. Contract expenses are as follows for the years ended September 30, 2024 and 2023:

	2024	2023
Advertising, promotion and marketing	**$ 5,722,618**	$ 4,181,425
Management services	**1,314,927**	1,302,093
Postage and shipping	**16,013**	20,572
Telecommunications	**17,672**	21,414
Administrative	**49,690**	49,064
TOTAL CONTRACT EXPENSES	**$ 7,120,920**	$ 5,574,568

NOTE G - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The Organization regularly monitors the availability of resources required to meet operating needs and other contractual commitments, while also striving to maximize the services provided to the community in which it serves. The Organization's financial assets available for general use expenditures within one year as of September 30, consist of the following:

	2024	2023
Financial assets:		
Cash and cash equivalents	**$ 707,665**	$ 700,638
Accounts receivable	**16,448**	36,860
Income tax refund receivable	**0**	1,916
Due from Sarasota County	**1,041,893**	745,706
Total financial assets available to management for general expenditure within one year	**$ 1,766,006**	$ 1,485,120

Visit Sarasota County
Profit & Loss by Class
July 2024 through June 2025

	11 VF Compliance (1 County Contract)	44 Sports VF Compliance (1 County Contract)	12 VF Compliance (2 VSC Budget)	12.4 VF Sports - VSC (2 VSC Budget)
Ordinary Income/Expense				
Income				
County Reimbursements	373,961.83	48,285.50	0.00	0.00
Paid Directly - Sarasota County	0.00	0.00	0.00	0.00
4500 · Management Fee -Sarasota County	0.00	0.00	0.00	0.00
4599 · Private Sector Funding	0.00	0.00	0.00	0.00
4599.2 · Sponsorship	0.00	0.00	0.00	0.00
4599.3 · Participation	0.00	0.00	4,550.00	0.00
4599.5 · In-kind	0.00	0.00	0.00	0.00
4850 · Rental Income - EDC	0.00	0.00	0.00	0.00
Total Income	373,961.83	48,285.50	4,550.00	0.00
Gross Profit	373,961.83	48,285.50	4,550.00	0.00
Expense				
4899.2 · Sponsorship Expense	0.00	0.00	0.00	0.00
4899.3 · Participation expense	0.00	0.00	4,550.00	0.00
4899.5 · In-kind expense	0.00	0.00	0.00	0.00
500410 · COMMUNICATIONS SERVICES	0.00	0.00	0.00	0.00
500420 · POSTAGE & FREIGHT	0.00	0.00	0.00	0.00
500480 · PROMOTIONAL ACTIVITIES	373,961.83	48,285.50	0.00	0.00
500529M · ADMINISTRATIVE COSTS - MISC	0.00	0.00	0.00	0.00
500529N · ADMINISTRATIVE COSTS - NEC	0.00	0.00	0.00	0.00
500541 · SUBSCRIPTIONS & BOOKS	0.00	0.00	0.00	0.00
6030 · Miles Media Commission	0.00	0.00	0.00	0.00
6040 · Rent - Administrative Offices	0.00	0.00	0.00	0.00
6041 · Building Maintenance	0.00	0.00	0.00	0.00
6042 · Insurance	0.00	0.00	0.00	0.00
6050 · Business Travel	0.00	0.00	7,515.67	0.00
6051 · Meetings and Meals	0.00	0.00	3,836.45	0.00
6052 · Partner Development	0.00	0.00	209.00	0.00
6060 · Office Expense	0.00	0.00	0.00	0.00
6061 · Office Equipment	0.00	0.00	0.00	0.00
6062 · Postage	0.00	0.00	0.00	0.00
6063 · Licenses & Fees	0.00	0.00	0.00	0.00
6064 · Dues and Subscriptions	0.00	0.00	0.00	0.00
6065 · Professional Services	0.00	0.00	0.00	0.00
6070 · Non-Reimbursed Promo	0.00	0.00	7,006.63	922.37
6080 · Credit Card Processing Fees	0.00	0.00	16.58	0.00
6081 · Bank Fees	0.00	0.00	18.00	0.00
6100 · Employee Related Costs	0.00	0.00	0.00	0.00
6106 · Staff Development	0.00	0.00	99.00	0.00
6700 · Visitors Center	0.00	0.00	0.00	0.00
Total Expense	373,961.83	48,285.50	23,251.33	922.37
Net Ordinary Income	0.00	0.00	-18,701.33	-922.37
Other Income/Expense				
Other Income				
7000.1 · New Partner Admin Fee	0.00	0.00	0.00	0.00
7000.3 · Credit Card Discounts	0.00	0.00	0.00	0.00
7000.4 · Sales Tax Discount	0.00	0.00	0.00	0.00
7000.5 · Revenue - reimbursed assets	0.00	0.00	0.00	0.00
7000.6 · Interest Income	0.00	0.00	0.00	0.00
7000.8 · Miscellaneous Income	0.00	0.00	0.00	0.00
Total Other Income	0.00	0.00	0.00	0.00
Other Expense				
7100.4 · Interest Expense	0.00	0.00	0.00	0.00
7100.5 · Sponsorships	0.00	0.00	0.00	0.00
7325 · Depreciation	0.00	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00	0.00
Net Income	0.00	0.00	-18,701.33	-922.37

Visit Sarasota County
Payroll Summary
July 2024 through June 2025

	Jul '24 - Jun 25
Employee Wages, Taxes and Adjustments	
Gross Pay	
Salary - Officer	173,520.57
Salary - Officer - Sick	3,282.46
Salary - Officer Vacation	11,431.97
Salary - Staff	647,660.14
Salary Sick	5,205.85
Salary Vacation	28,826.89
Hourly	317,055.80
Hourly overtime (x1.5)	436.61
Hourly Sick	3,313.16
Hourly Vacation	16,414.18
Bonus-Hourly	9,500.00
Bonus-Officers	19,500.00
Bonus-Salary	5,700.00
Car Allowance	6,000.00
Total Gross Pay	1,247,847.63
Deductions from Gross Pay	
AETNA Health Insurance(pre-tax)	-34,667.23
AFLAC Insurance (pre-tax)	-1,218.50
Dental Insurance (pre-tax)	-8,194.39
Simple IRA Emp. (Chales Schwab)	-54,176.74
Simple IRA Emp. (Charles Schwab	-11,651.33
Vision Insurance (pre-tax)	-1,868.52
Voluntary Life Insurance	-1,653.51
Total Deductions from Gross Pay	-113,430.22
Adjusted Gross Pay	1,134,417.41
Taxes Withheld	
Federal Withholding	-121,911.00
Medicare Employee	-17,427.54
Social Security Employee	-72,153.36
Medicare Employee Addl Tax	-60.62
Total Taxes Withheld	-211,552.52
Deductions from Net Pay	
AFLAC Insurance (taxable) {2}	-509.04
Total Deductions from Net Pay	-509.04
Net Pay	**922,355.85**
Employer Taxes and Contributions	
Federal Unemployment	823.52
Medicare Company	17,427.54
Social Security Company	72,153.36
RT-6	137.25
Simple IRA Co. Match-Schw-Staff	31,621.25
Total Employer Taxes and Contributions	**122,162.92**

EXHIBIT A
Visit Sarasota County FY 2025 Scope of Services Budget

VSC TDT PROMOTION EXPENSE	Promo Budget FY 2025	Sports Budget FY 2025	Total Budget Promo and Sports FY 2025	Final Budget Promo and Sports FY 2024	
Website, CRM, Enewsletter, mobile app	$ 211,250	$ 18,750	$ 230,000	$ 200,000	15.0%
Earned Media/Public Relations	310,000	20,000	330,000	265,000	24.5%
Content and Social Media	130,000	-	130,000	105,000	23.8%
Paid Media and Creative	1,714,100	79,400	1,793,500	1,960,900	-8.5%
Airline Incentive Program	250,000	-	250,000	250,000	0.0%
Research	128,150	20,000	148,150	144,000	2.9%
Promotion	175,000	-	175,000	175,000	0.0%
Visitor Services	163,000	13,350	176,350	177,100	-0.4%
Meeting and Leisure Group Sales	300,000	-	300,000	260,000	15.4%
International Sales	345,000	-	345,000	319,000	8.2%
Sports	-	526,000	526,000	531,000	-0.9%
Postage	35,000	-	35,000	50,000	-30.0%
Telecommunications	18,500	1,500	20,000	22,000	-9.1%
Administration	50,000	-	50,000	50,000	0.0%
Management Fee	1,241,100	236,250	1,477,350	1,407,000	5.0%
Sub-Total (VSC Programmatic Budget)	**$ 5,071,100**	**$ 915,250**	**5,986,350**	**5,916,000**	1.2%
Note: Private Sector Contribution (10% required match)	$ -	$ -	$ 598,635	$ 591,600	

	Total Budget Promo and Sports FY 2025	Final Budget Promo and Sports FY 2024
<u>One Time Promotion Projects from Programmatic Areas</u>		
Earned Media: Satellite Media Tour to promote Selby/Bay/Mote openings	$ -	$ 50,000
Earned Media: Expanded press trips domestic & international	-	35,000
Earned Media: Expanded media events/missions in origin markets	-	15,000
Earned Media: Restoring UK public relations in support of Ballet, Selby	-	50,000
Content & Social Media: Short form video content	-	15,000
Paid Media & Creative: Allegiant Plane Wrap	50,000	-
Paid Media & Creative: New digital campaigns for workforce, nature, arts	-	300,000
Paid Media & Creative: Go back into print for workforce, nature, arts, brand	-	50,000
Paid Media & Creative: Increased creative production	150,000	50,000
Paid Media & Creative: Arts and Culture Initiative	350,000	-
Research: Expand research to include a destination intelligence tool	120,000	-
Promotion: Expanded promotion with Braves and Orioles	-	25,000
Visitor Services: New services for meetings, conventions & community	-	19,000
Meeting & Leisure Group: new meeting shows & econ dev trade events	80,000	20,000
Meeting & Leisure Group: New meeting incentives	-	20,000
Meeting & Leisure Group: Meeting Sales Representation	200,000	-
International: Expanded trade events & new receptive operator promotion	-	20,000
International: Increased UK retainer & marketing campaigns & Ballet	50,000	30,000
International: Increased German retainer & marketing campaigns	50,000	20,000
International: New representation and marketing campaigns in Canada	-	75,000
Sports: Intl Canoe Kayak events	150,000	180,000
Sports: Int'l Women's Lacrosse Coaches Assn event	-	30,000
Sports: business development & bids for new softball & indoor sports facilities	50,000	60,000
Sub-Total: One Time Promotion Projects from Programmatic Areas	**$ 1,250,000**	**$ 1,064,000**
<u>One Time TDT Promotion Projects:</u>		
New Tourism Strategic Plan		$ 60,000
New photography, video and advertisement		300,000
New Visitor Information Vehicle		110,000
Arts and Culture Initiative		350,000
Sub-Total One Time TDT Promotion Projects		**$ 820,000**
<u>One Time County approved additional funding (approved 12/9/2024</u>	$ 250,000	
Grand Total	**$ 7,486,350**	**$ 7,800,000**