

Financial Statements

March 31

2014

Fiscal Year 2013 Financial Statements Front Beach Road & Pier Park Community Redevelopment Areas

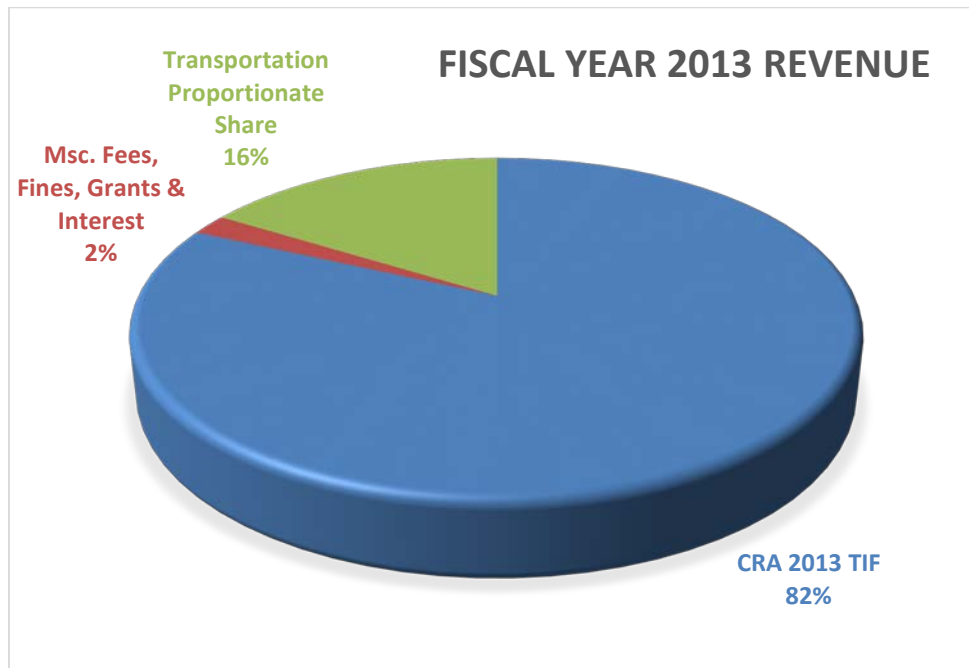


In order to provide the reader with as much information as possible with regard to the activities of both the Front Beach Road and Pier Park Community Redevelopment Areas, the attached financial statements report the combined activities of the Panama City Beach Community Redevelopment Agency (the “Agency”) and the City of Panama City Beach CRA Special Revenue Fund. The Agency is a blended component unit of the City of Panama City Beach and as such, its activities are combined with the City’s CRA Special Revenue Fund and reported as a major fund within the City’s audited financial statements. Tax increment funds are received by the Agency from Bay County and other than interest earnings represent the Agency’s sole source of revenue. The tax increment funds related to the Pier Park Community Redevelopment Area are transferred from the Agency to the Pier Park CDD. The tax increment funds related to the Front Beach Road Community Redevelopment Area are transferred to the City which restricts the use of such funds to the implementation of the Front Beach Road Community Redevelopment Plan.

Front Beach Road CRA Financial Statement

The CRA receives its revenue through Tax Increment Funds (TIF). The TIF funds vary based on the increased property values from the 2002 base year. Total TIF revenue received by the CRA since creation of the Front Beach Road CRA is listed below:

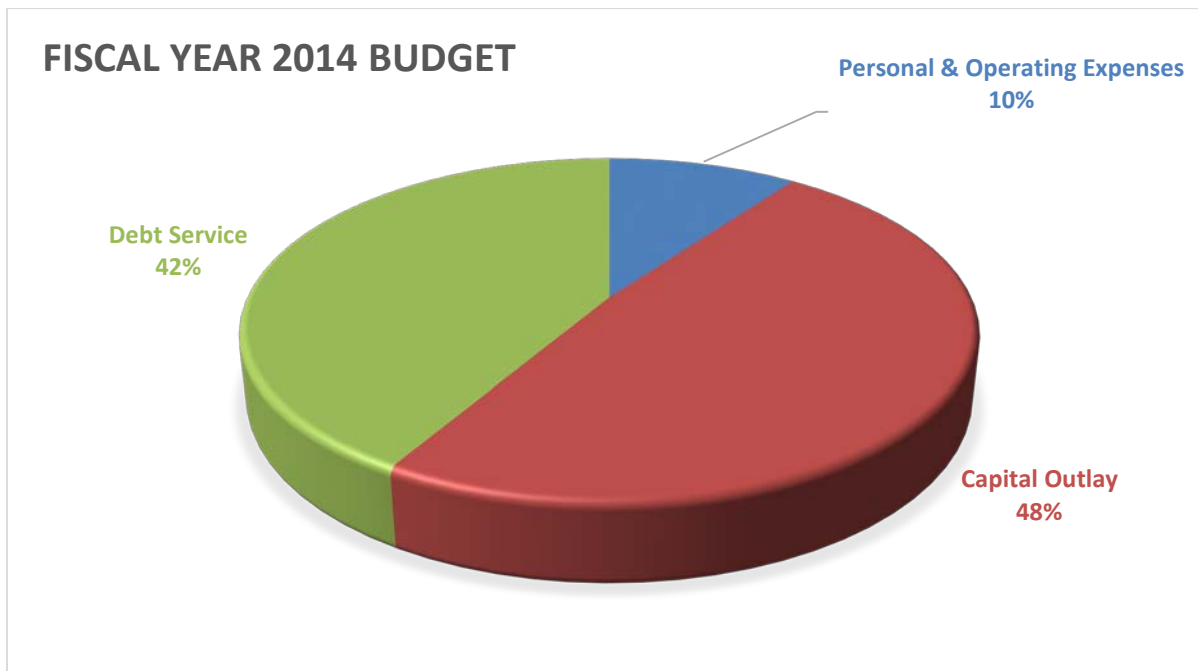
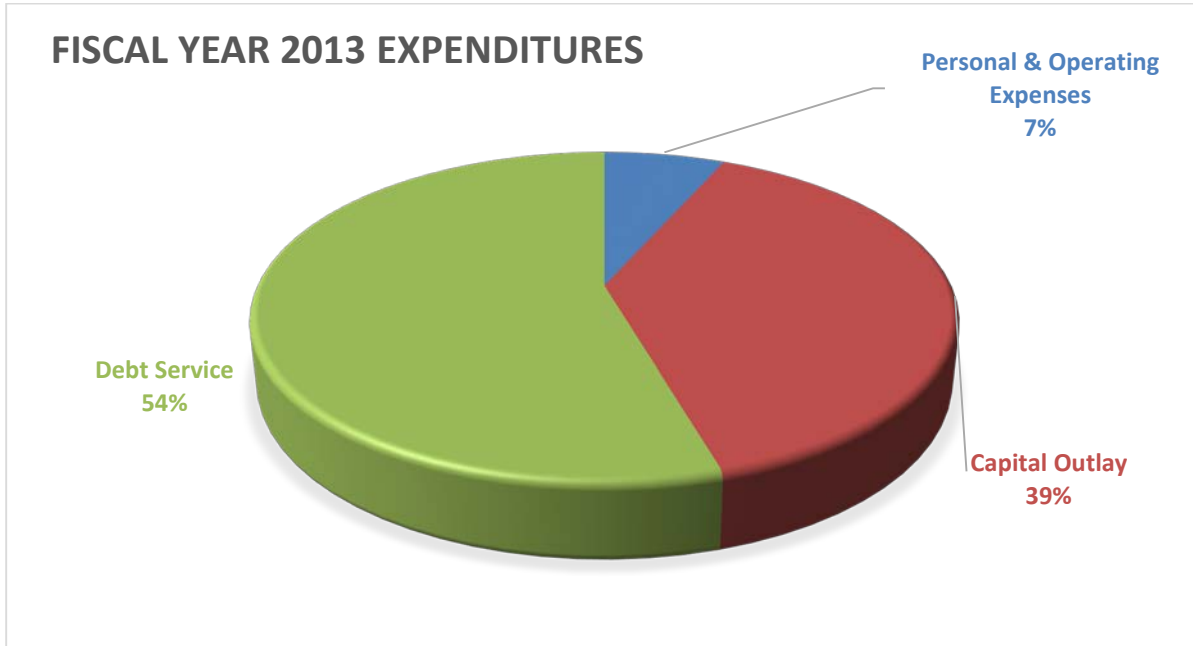
Fiscal Year 2003- 2013 TIF Revenue	
2003	\$ 923,154
2004	\$ 1,848,987
2005	\$ 2,494,974
2006	\$ 6,940,002
2007	\$ 9,234,244
2008	\$ 8,522,456
2009	\$10,019,940
2010	\$ 8,246,840
2011	\$ 7,263,322
2012	\$ 6,396,059
2013	\$ 5,719,481
Total	\$67,609,459



The CRA actual revenue in fiscal year 2013 totaled \$6,986,844. The CRA also receives monies from federal grants, public parking, proportionate share payments, interest and code enforcement fines. The CRA issued Capital Improvement Revenue Bonds, Series 2006, in the amount of \$54,835,000. Debt service payments are approximately \$3.8 million per year. As of September 30, 2013, all of the Bond proceeds have been expended primarily for new road reconstruction and right-of-way acquisition. Past bond proceeds have been expended as of the fiscal year ending September 30, 2013. TIF

and grant funds will need to be accrued in order to build the next round of projects. The CRA is currently pursuing grant and other funding opportunities.

The Front Beach Road CRA Fiscal Year 2013 Expenditures and Fiscal Year 2014 Budget are shown below:



Pier Park CRA Financial Statement

For the year ended September 30, 2013, tax increment funds remitted by the County to the City for the Pier Park CRA were in the amount of \$340,509. These funds were subsequently paid to the CDD by the City. Additionally, the City has irrevocably pledged the business tax receipts collected within Pier Park to the CDD to be applied (after deduction of certain amounts for public safety services) to certain CDD costs and obligations, including the payment of interest and principal on the debt obligations, in a priority specifically detailed in the PIPA. Business tax receipts and related penalties for late payments collected in the fiscal year ended September 30, 2013 were in the amount of \$2,030,059.



A portion of the business tax receipts collected within the Pier Park Community Redevelopment Area is retained by the City for the provision of public safety services within the Pier Park CRA. The amount retained by the City is determined under the terms of the PIPA and is calculated in the fiscal year following collection. The City has recorded a liability as of September 30, 2013 in the amount of \$2,030,059 which represents 2013 collections. 2012 collections due to the CDD were paid on September 24, 2013 in the amount of \$1,647,337.

See attached **Exhibit A** for a copy of the Community Redevelopment Fund Balance Sheet at September 30, 2013 and the Statement of Revenue, Expenditures and Changes in Fund Balance for the year ended September 30, 2013.

Exhibit A

City of Panama City Beach, Florida
Balance Sheet
Community Redevelopment Fund
September 30, 2013

	Community Redevelopment Fund
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Assets	
Cash and cash equivalents	\$ 252,622
Accounts receivable	400
Prepaid expenses	5,211
Cash and cash equivalents - restricted	15,390,481
Due from other funds - restricted	27
Due from other governments - restricted	16,755
Grants receivable - restricted	23,355
Accrued interest receivable - restricted	156
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Total assets	\$ 15,689,007
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Liabilities and fund balance	
Liabilities	
Accounts payable	\$ 680,214
Due to other governments	16,993
Due to other funds	723
Accrued expenses	2,261
Deferred revenue	500
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Total liabilities	700,691
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Fund balance	
Nonspendable	5,211
Restricted	14,731,121
Committed	-
Assigned	251,984
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Total fund balance	14,988,316
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Total liabilities and fund balance	\$ 15,689,007
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City of Panama City Beach, Florida
Statement of Revenues, Expenditures and Changes in Fund Balance
Community Redevelopment Fund
Year Ended September 30, 2013

	Community Redevelopment Fund
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Revenues	
Tax increment funds	
Front Beach Road	\$ 5,719,481
Pier Park	340,509
Municipal services impact fees	1,128,476
Fines and forfeitures	3,791
Grants	47,783
Interest	17,067
Other fees and miscellaneous	70,246
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Total revenues	7,327,353
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Expenditures	
Current	
General government	
Front Beach Road	97,433
Pier Park	340,606
Highways and streets	360,649
Debt service	
Principal	1,540,000
Interest and fiscal charges	2,221,975
Capital outlay	
Highways and streets	2,679,439
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Total expenditures	7,240,102
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Excess of revenues over expenditures	87,251
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Net change in fund balance	87,251
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Fund balance - beginning	14,901,065
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Fund balance - ending	\$ 14,988,316
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