

Financial Statements

March 31

2011

Front Beach Road CRA & Pier Park CRA Financial Statements For Fiscal Year 2010

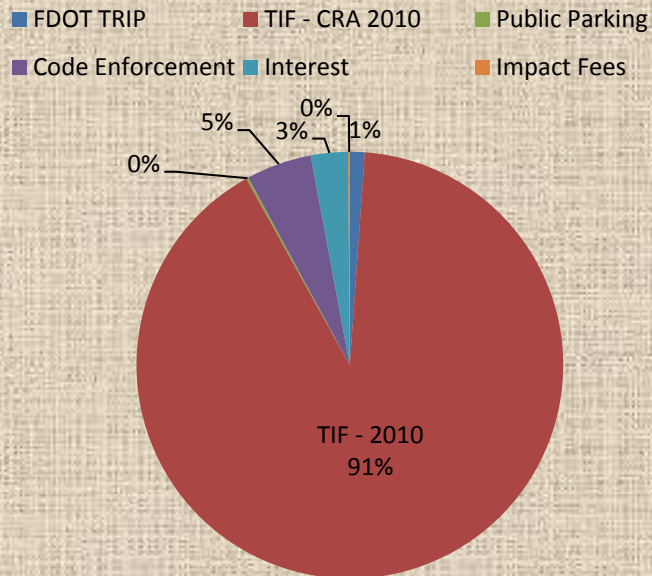


In order to provide the reader with as much information as possible with regard to the activities of both the Front Beach Road and Pier Park Community Redevelopment Areas, the attached financial statements report the combined activities of the Panama City Beach Community Redevelopment Agency (the "Agency") 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.

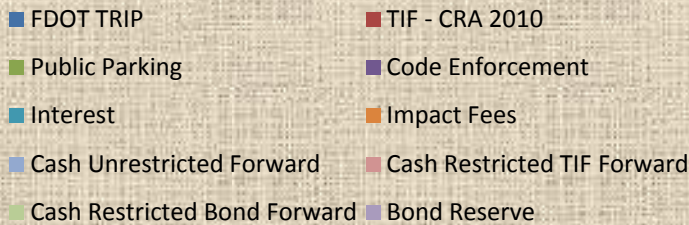
The CRA receives its revenue through Tax Increment Funds (TIF). The FBR TIF funds vary based on the increased property values from the 2002 base year.

Year	FBR 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
	\$48,230,597

FBR CRA Revenue Budget 2009 - 2010



FBR CRA 2010 Total Funds

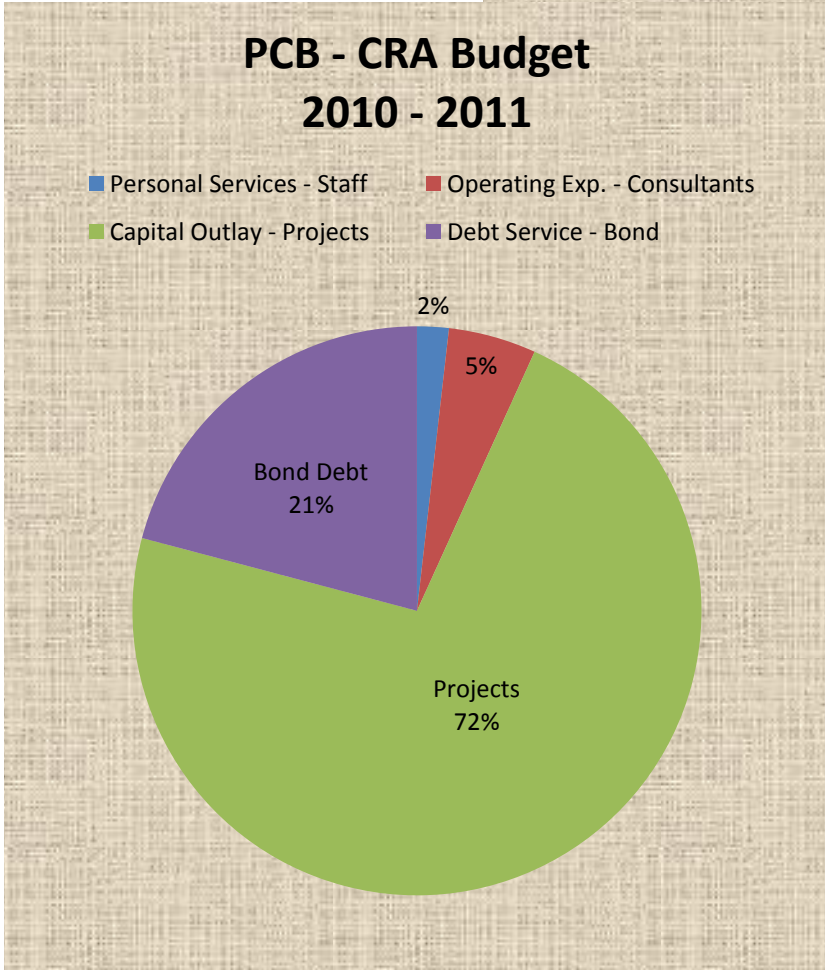
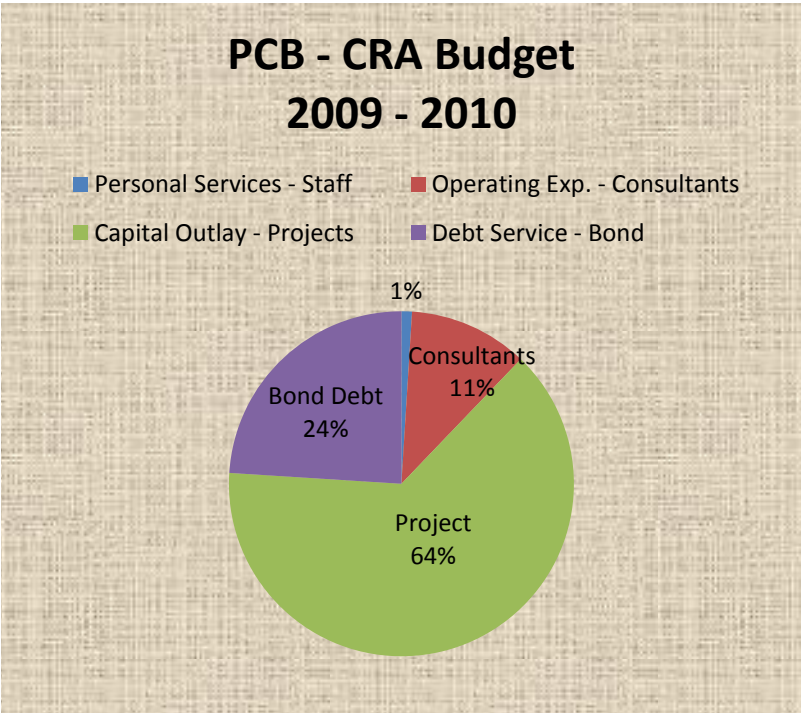


The CRA also receives monies from grants, public parking fees, impact fees, interests and code enforcement fees.

The CRA secured a 2006 Series Bond for \$54,835,000 with an annual debt service of \$3,792,000. The bond has allowed advancement of the CRA redevelopments projects to stimulate growth and improve adjacent property values. These funds will support the current projects to completion in 2012. TIF

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

The City Council had the foresight to direct staff during tight economic times to create a CRA department that could perform the consultant duties in house. During the 2010 budget year the City started the transition from a consultant based construction administration/inspection and



program management to a City CRA Department. This allowed the City to funnel back a net of \$800,000 into Capital Improvement Projects, while only increasing the CRA's in house staff funding by 1%. The two adjacent charts best represent the 2010 to 2011 transition.

The University of West Florida prepared a Benefit-Cost Analysis to demonstrate the long term economic benefit that would flow from CRA project expenditures. Conservatively estimated, the benefit to cost ratio is 2.19 which means that each dollar of expenditure increases the net national income by \$2.19.

City of Panama City Beach, Florida
Balance Sheet
Community Redevelopment Fund
September 30, 2010

	Community Redevelopment Fund
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Assets	
Cash and cash equivalents	\$ 258,490
Due from other funds	3
Cash and cash equivalents - restricted	21,201,779
Due from other governments - restricted	15,040
Accrued interest receivable - restricted	6,851
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Total assets	\$ 21,482,163
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Liabilities and fund balance	
Liabilities	
Accounts payable	\$ 1,085,086
Accrued expenses	4,396
Due to other governments	7,001
Deferred revenue	600
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Total liabilities	1,097,083
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Fund balance	
Reserved for	
Community redevelopment	20,140,005
Unreserved, reported in	
Community redevelopment fund	245,075
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Total fund balance	20,385,080
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Total liabilities and fund balance	\$ 21,482,163
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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, 2010

	Community Redevelopment Fund
Revenues	
Tax increment funds	
Front Beach Road	\$ 8,246,840
Pier Park	335,914
Municipal services impact fees	8,861
Fines and forfeitures	445,510
Grants	71,973
Interest	94,879
Other fees and miscellaneous	17,213
Total revenues	9,221,190
Expenditures	
Current	
General government	
Front Beach Road	509,739
Pier Park	337,788
Highways and streets	1,234,313
Debt service	
Principal	1,365,000
Interest and fiscal charges	2,398,000
Capital outlay	
Highways and streets	8,849,883
Total expenditures	14,694,723
(Deficiency) of revenues (under) expenditures	(5,473,533)
Other financing sources	
Proceeds from sale of asset	1,890
Other financing sources	1,890
Net change in fund balance	(5,471,643)
Fund balance - beginning restated	25,856,723
Fund balance - ending	\$ 20,385,080