

Financial Statements

March 31

2012

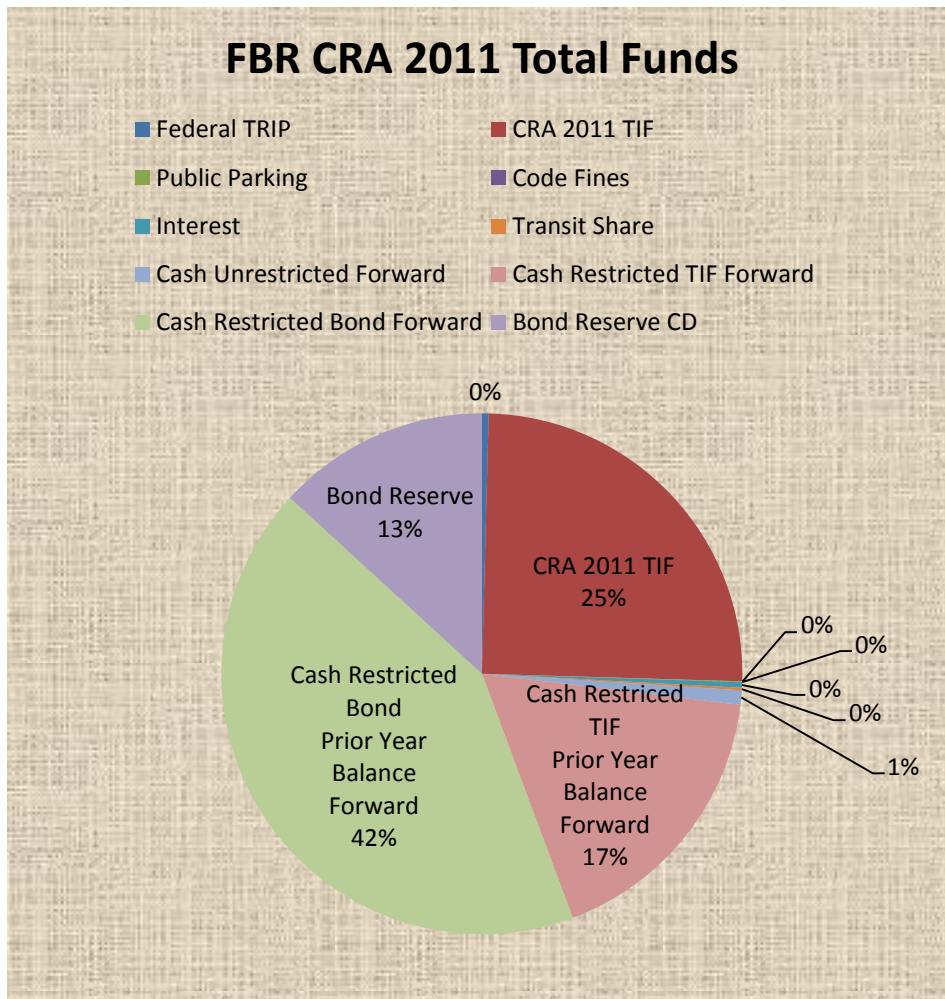
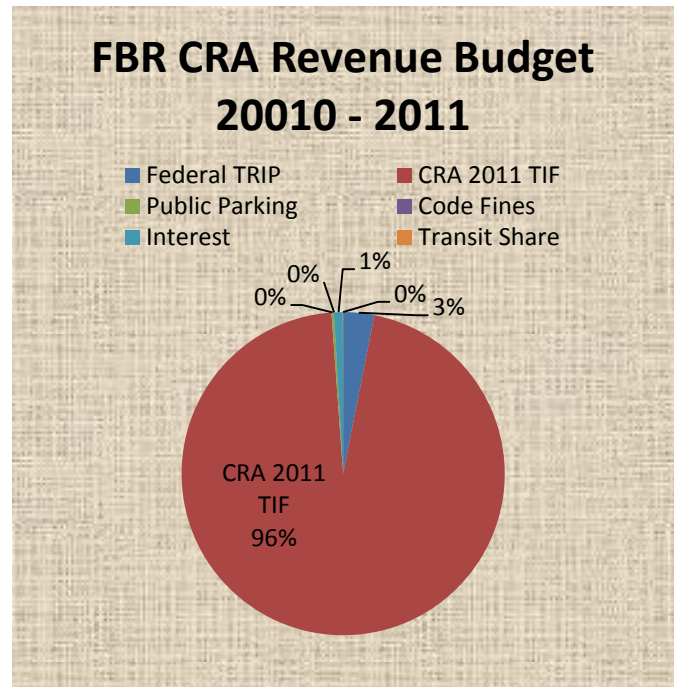
Front Beach Road CRA & Pier Park CRA Financial Statements For Fiscal Year 2011



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 TIF funds vary based on the increased property values from the 2002 base year.

Year	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
	\$55,493,919

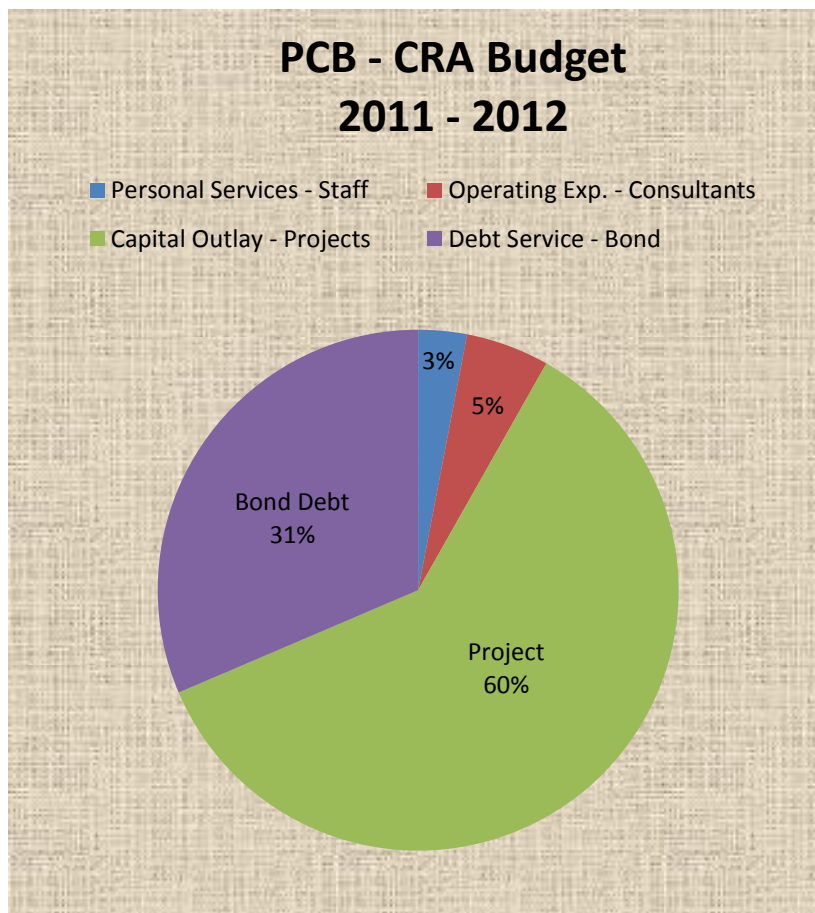
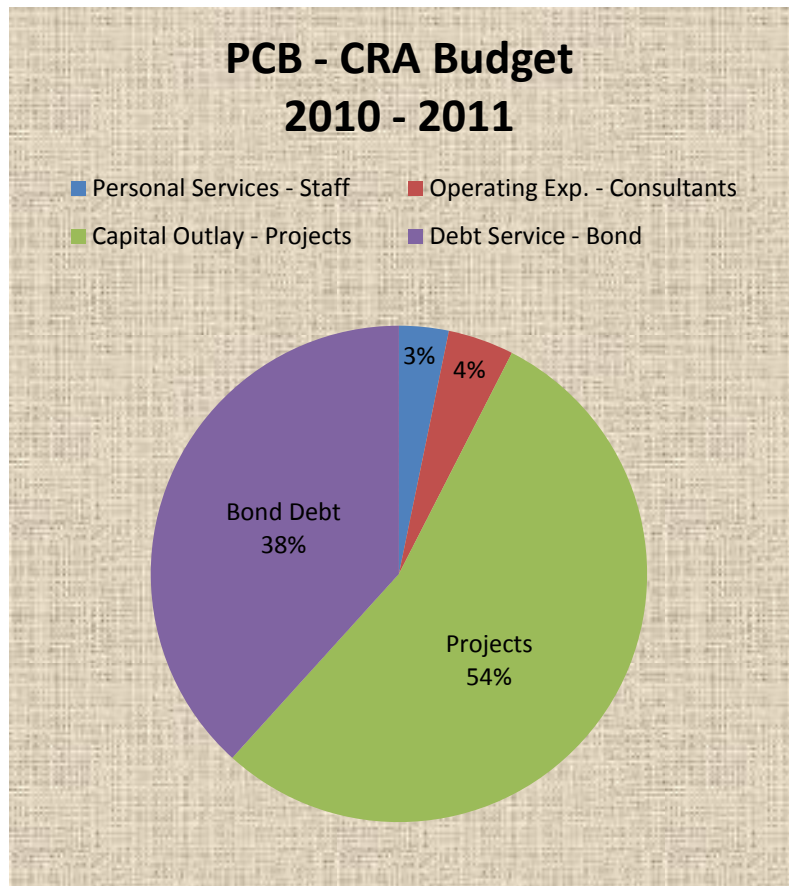


The CRA also receives monies from State & Federal Grants, public parking, impact fees, interest and code enforcement.

The CRA secured a 2006 Series Bond for \$54,835,000 with an annual debt service of \$3,792,000. The bond has allowed the CRA developments to stimulate growth and 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 develop a CRA staff that could perform the consultant duties in house. During the 2011 budget year the CRA completed the transition from a consultants based construction and program manager to a PCB-CRA Department. This allowed the CRA to funnel back a net of \$800,000 into Capital-Projects while only increasing Staff funding by 1%. The two adjacent charts best represent the 2011 to 2012 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, 2011

	Community Redevelopment Fund
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Assets	
Cash and cash equivalents	\$ 250,509
Accounts receivable	125
Due from other funds	59
Prepaid insurance	211
Cash and cash equivalents - restricted	19,301,003
Due from other funds - restricted	196
Due from other governments - restricted	41,727
Accrued interest receivable - restricted	6,924
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Total assets	\$ 19,600,754
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Liabilities and fund balance	
Liabilities	
Accounts payable	\$ 1,093,495
Accrued expenses	1,915
Deferred revenue	1,325
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Total liabilities	1,096,735
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Fund balance	
Nonspendable	211
Restricted	18,254,284
Committed	-
Assigned	249,524
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Total fund balance	18,504,019
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Total liabilities and fund balance	\$ 19,600,754
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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, 2011

	Community Redevelopment Fund
Revenues	
Tax increment funds	
Front Beach Road	\$ 7,263,322
Pier Park	344,835
Municipal services impact fees	44,702
Fines and forfeitures	1,272
Grants	105,611
Interest	105,296
Other fees and miscellaneous	17,759
Total revenues	7,882,797
Expenditures	
Current	
General government	
Front Beach Road	81,436
Pier Park	343,000
Highways and streets	503,764
Debt service	
Principal	1,420,000
Interest and fiscal charges	2,342,300
Capital outlay	
Highways and streets	5,073,358
Total expenditures	9,763,858
(Deficiency) of revenues (under) expenditures	(1,881,061)
Other financing sources	
Proceeds from sale of asset	-
Other financing sources	-
Net change in fund balance	(1,881,061)
Fund balance - beginning	20,385,080
Fund balance - ending	\$ 18,504,019