

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

TAMPA BAY SPORTS COMMISSION, INC.

September 30, 2021 and 2020

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Tampa Bay Sports Commission, Inc.

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Tampa Bay Sports Commission, Inc. (a nonprofit organization), (the "Commission"), which comprise the statement of financial position as of September 30, 2021, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

**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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditor's 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 auditor considers 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 Commission, as of September 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Prior Period Financial Statements

The financial statements of the Commission as of September 30, 2020 were audited by other auditors whose report dated July 23, 2021 expressed an unmodified opinion on those statements.

## Other Matters

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of State Financial Assistance, as required by Chapter 10.650, *State of Florida Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, as described above, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2022, on our consideration of the Commission'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 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 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 the Commission's internal control over financial reporting and compliance.

Tampa, Florida  
May 3, 2022



Tampa Bay Sports Commission, Inc.  
STATEMENTS OF FINANCIAL POSITION

September 30,

	2021	2020
<b>ASSETS</b>		
Current assets		
Cash	\$ 2,404,720	\$ 1,832,783
Accounts receivable, current portion	2,075,002	726,294
Prepaid expenses and other current assets	10,796	2,235
Total current assets	4,490,518	2,561,312
Long-term assets		
Accounts receivable, net of current portion	323,000	376,955
Furniture, equipment, and leasehold improvements, net	132,334	152,932
Total long-term assets	455,334	529,887
<b>TOTAL ASSETS</b>	<b>\$ 4,945,852</b>	<b>\$ 3,091,199</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 1,944,010	\$ 571,134
PPP loan payable	118,497	119,100
Rent payable, current portion	12,242	10,540
Unearned revenue	30,442	554,833
Total current liabilities	2,105,191	1,255,607
Rent payable, net of current portion	100,300	112,541
Total liabilities	2,205,491	1,368,148
Net assets		
Without donor restrictions	2,119,528	750,396
With donor restrictions	620,833	972,655
Total net assets	2,740,361	1,723,051
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 4,945,852</b>	<b>\$ 3,091,199</b>

The accompanying notes are an integral part of these statements.

Tampa Bay Sports Commission, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended September 30, 2021  
 (With summarized comparative totals for the year ended September 30, 2020)

	Without donor Restrictions	With donor restrictions	Total	
			2021	2020
Revenue and Support				
State grants and contracts	\$ 1,778,022	\$ -	\$ 1,778,022	\$ 138,672
Local government contracts	1,049,723	-	1,049,723	1,046,400
Contributions	-	1,190,000	1,190,000	900,000
Sponsorships	101,531	-	101,531	603,390
In-kind contributions	306,264	-	306,264	236,927
Sports event income	1,780,050	-	1,780,050	301,955
Interest income	6,765	-	6,765	4,517
PPP loan forgiveness	119,100	-	119,100	-
Total revenue and support	<u>5,141,455</u>	<u>1,190,000</u>	<u>6,331,455</u>	<u>3,231,861</u>
Net assets released from restrictions	<u>1,359,867</u>	<u>(1,359,867)</u>	<u>-</u>	<u>-</u>
Total revenue, support and net assets released from restrictions	<u>6,501,322</u>	<u>(169,867)</u>	<u>6,331,455</u>	<u>3,231,861</u>
Expenses				
Program services	3,424,835	-	3,424,835	1,500,221
Management and general	<u>1,889,310</u>	<u>-</u>	<u>1,889,310</u>	<u>855,617</u>
Total expenses	<u>5,314,145</u>	<u>-</u>	<u>5,314,145</u>	<u>2,355,838</u>
Change in net assets	1,187,177	(169,867)	1,017,310	876,023
Net Assets - beginning of year	<u>750,396</u>	<u>972,655</u>	<u>1,723,051</u>	<u>847,028</u>
Net Assets - end of year	<u>\$ 1,937,573</u>	<u>\$ 802,788</u>	<u>\$ 2,740,361</u>	<u>\$ 1,723,051</u>

The accompanying notes are an integral part of this statement.

Tampa Bay Sports Commission, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended September 30, 2020

	Without donor Restrictions	With donor restrictions	2020
Revenue and Support			
State grants and contracts	\$ 138,672	\$ -	\$ 138,672
Local government contracts	1,046,400	-	1,046,400
Contributions	-	900,000	900,000
Sponsorships	34,635	568,755	603,390
In-kind contributions	236,927	-	236,927
Sports event income	301,955	-	301,955
Interest income	4,517	-	4,517
PPP loan forgiveness	-	-	-
Total revenue and support	<u>1,763,106</u>	<u>1,468,755</u>	<u>3,231,861</u>
Net assets released from restrictions	<u>496,100</u>	<u>(496,100)</u>	<u>-</u>
Total revenue, support and net assets released from restrictions	<u>2,259,206</u>	<u>972,655</u>	<u>3,231,861</u>
Expenses			
Program services	1,500,221	-	1,500,221
Management and general	855,617	-	855,617
Total expenses	<u>2,355,838</u>	<u>-</u>	<u>2,355,838</u>
Change in net assets	(96,632)	972,655	876,023
Net Assets - beginning of year	<u>847,028</u>	<u>-</u>	<u>847,028</u>
Net Assets - end of year	<u>\$ 750,396</u>	<u>\$ 972,655</u>	<u>\$ 1,723,051</u>

The accompanying notes are an integral part of this statement.

Tampa Bay Sports Commission, Inc.

STATEMENTS OF CASH FLOWS

For the years ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 1,017,310	\$ 876,023
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	20,598	21,167
PPP loan forgiveness	(119,100)	
Bad debt expense	-	5,509
(Increase) in accounts receivable	(1,294,753)	(495,855)
(Increase) decrease in prepaid expenses and other assets	(8,561)	91,545
Increase in accounts payable and accrued expenses	1,372,876	320,486
(Decrease) in rent payable	(10,539)	(8,887)
(Decrease) increase in deferred revenue	<u>(524,391)</u>	<u>287,333</u>
Net cash provided by operating activities	<u>453,440</u>	<u>1,097,321</u>
Cash flows from financing activities		
Proceeds received from PPP loan	<u>118,497</u>	<u>119,100</u>
Net increase in cash and cash equivalents	571,937	1,216,421
Cash and cash equivalents - beginning of year	<u>1,832,783</u>	<u>616,362</u>
Cash and cash equivalents - end of year	<u><u>\$ 2,404,720</u></u>	<u><u>\$ 1,832,783</u></u>

The accompanying notes are an integral part of these statements.

Tampa Bay Sports Commission, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2021  
 (With summarized comparative totals for the year ended September 30, 2020)

	Program Services	Management and General	Total Expenses	
			2021	2020
Salaries	\$ 769,409	\$ 151,800	\$ 921,209	\$ 773,432
Payroll taxes	48,185	9,733	57,918	47,894
Employee benefits	89,886	19,351	109,237	95,812
Total personnel costs	<u>907,480</u>	<u>180,884</u>	<u>1,088,364</u>	<u>917,138</u>
Advertising and promotions	118,040	-	118,040	147,081
Bank, interest, and credit card fees	-	2,378	2,378	5,721
Charitable contributions	-	1,529,867	1,529,867	400,000
Depreciation	20,359	239	20,598	21,167
Dues and subscriptions	-	4,952	4,952	4,569
Event hosting	2,029,342	-	2,029,342	431,229
Fees, taxes and licenses	-	-	-	479
In-kind contributions	251,574	54,690	306,264	236,927
Insurance	-	2,235	2,235	2,394
Internet and website	4,238	4,254	8,492	9,565
Meals and entertainment	1,162	5,690	6,852	6,314
Other	-	50,036	50,036	1,575
Printing, postage and office supplies	-	1,570	1,570	24,882
Professional fees	-	41,018	41,018	47,701
Rent	48,967	-	48,967	6,965
Registration fees	5,990	-	5,990	22,750
Sponsorships	35,000	1,360	36,360	3,421
Technology	-	5,812	5,812	3,400
Telephone	-	4,325	4,325	11,911
Travel	2,683	-	2,683	50,649
Total expenses	<u>\$ 3,424,835</u>	<u>\$ 1,889,310</u>	<u>\$ 5,314,145</u>	<u>\$ 2,355,838</u>

The accompanying notes are an integral part of this statement.

Tampa Bay Sports Commission, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2020

	Program Services	Management and General	Total Expenses
Salaries	\$ 642,489	\$ 130,943	\$ 773,432
Payroll taxes	39,597	8,297	47,894
Employee benefits	78,845	16,967	95,812
Total personnel costs	<u>760,931</u>	<u>156,207</u>	<u>917,138</u>
Advertising and promotions	-	147,081	147,081
Bank, interest, and credit card fees	-	5,721	5,721
Charitable contributions	-	400,000	400,000
Depreciation	20,359	808	21,167
Dues and subscriptions	-	4,569	4,569
Event hosting	431,229	-	431,229
Fees, taxes and licenses	-	479	479
In-kind contributions	196,064	40,863	236,927
Insurance	-	2,394	2,394
Internet and website	4,649	4,916	9,565
Meals and entertainment	2,239	4,075	6,314
Printing, postage and office supplies	-	1,575	1,575
Professional fees	-	24,882	24,882
Rent	47,701	-	47,701
Registration fees	6,965	-	6,965
Sponsorships	20,000	2,750	22,750
Technology	39	3,382	3,421
Telephone	-	3,400	3,400
Travel	10,045	1,866	11,911
Other	-	50,649	50,649
Total expenses	<u>\$ 1,500,221</u>	<u>\$ 855,617</u>	<u>\$ 2,355,838</u>

The accompanying notes are an integral part of this statement.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2021 and 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Activities

The Tampa Bay Sports Commission, Inc. (the "Commission") is a private, nonprofit 501(c)(3) charitable corporation that serves the entire Tampa Bay area as the lead organization for bidding on and hosting major amateur sporting events. The mission of the Commission is to attract, promote, and/or organize major amateur sporting events and grassroots youth sports programs that foster the ongoing development and quality of life for the entire Tampa Bay area.

2. Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (GAAP). Under this guidance, the Commission is required to report information regarding its financial position and activities according to two classes of net assets:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. The Commission reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

3. Cash and Cash Equivalents

The Commission places its cash in high-credit, quality institutions. At times, such balances may be in excess of the U.S. Federal Deposit Insurance Corporation (FDIC) insurance limit.

4. Accounts Receivable

Accounts receivable are recorded at their estimated collectible amounts. All of the accounts receivable at September 30, 2021 and 2020 are deemed collectible. Therefore, no provision for uncollectible amounts has been made in the accompanying financial statements.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. Prepaid Expenses

Prepaid expenses consist of amounts paid in advance for expenses related to events that have not yet taken place and other operating costs. The expenses are recognized in the statement of activities upon completion of each scheduled event or the Commission incurring operating costs.

6. Furniture, Equipment, and Leasehold Improvements

Furniture and equipment are stated at cost. Depreciation is computed utilizing the straight-line method over the estimated useful lives (three to eleven years) of the related assets. As discussed in Note G - Commitments and Contingencies, the Commission recorded a reduction in its rent for the cost of certain leasehold improvements in connection with its office lease. In accordance with generally accepted accounting principles, the amount of this allowance has been recorded in leasehold improvements and rent payable in the accompanying financial statements. Such cost is being depreciated over the shorter of the estimated useful life or the remaining lease term.

Costs and related accumulated depreciation are removed from the accounts when assets are retired or are otherwise disposed. The difference between the net book value of the assets and the proceeds from their disposition is recognized as a gain or loss. Routine maintenance and repairs are charged to expense as incurred, while cost of betterments and renewals are capitalized. It is the Commission's policy to capitalize expenditures for furniture, equipment, and leasehold improvements having a unit cost in excess of \$1,000.

7. Income Taxes

The Commission is incorporated as a nonprofit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Commission is subject to taxation for unrelated business income. The Commission has income tax matters that arise from ongoing operations from time to time, and management has made accruals for those matters where appropriate.

The Commission has adopted the standard for accounting for uncertain tax positions and management believes that the Commission has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. Contributions and Grants

Contributions, local government contracts, and state grants and contracts received are classified as with and without donor restrictions, depending on the existence and/or nature of any donor-imposed restriction. Accounts receivable are recognized when an unconditional promise to give is received. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using the present value techniques incorporating risk-adjusted discount rates designated to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the accompanying financial statements.

Conditional contributions and grants – that is, those with a measurable performance or other barrier and a right of return – are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Payment received before conditions are substantially met are recorded as deferred revenue in the accompanying statements of financial position.

9. Sponsorships

Sponsorship agreements comprise an exchange element based on the value of benefits provided and a contribution element for the difference between the total sponsorship price and the exchange element. The exchange element can include admission, exhibits, and advertising which the Commission recognizes when the performance obligation is met. The admission and exhibit elements are recognized over time during the duration of the event. The advertising element is recognized over time during the duration of the advertisement. The contribution element totaled approximately \$26,000 and \$593,000 for the years ended September 30, 2021 and 2020, respectively.

10. In-Kind Contributions

In-kind donation items used by the Commission are recorded as contributions and expenses at their fair value at the date of donation. Contributed services are recorded as contributions and expenses at their fair value, to the extent they create or enhance nonfinancial assets or require specialized skills and are provided by individuals or organizations possessing these required specialized skills and would typically need to be purchased if not provided by donations.

The Commission received and recognized contributed advertising services of approximately \$2,300 and \$-0- for various events hosted by the Commission during the years ended September 30, 2021 and 2020, respectively.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Commission received and recognized donated use of office and meeting space of approximately \$304,000 and \$234,000 for the use by Commission staff and for meetings with partners held during the years ended September 30, 2021 and 2020, respectively.

11. Amateur Sports Event Income

Amateur sports event income includes program fees and sponsorships. Program fees for sale of tickets, hospitality packages, and other event transactions are recognized over time during the duration of the event. Program fees received in advance of performance obligation being met are recorded as deferred revenue in the accompanying statements of financial position.

Amateur sports event sponsorship agreements comprise an exchange element based on the value of the benefits provided and a contribution element for the difference between the total sponsorship price and the exchange element. The exchange element includes admission, exhibits, and advertising which the Commission recognizes when the performance obligation is met. The admission and exhibit elements are recognized over time during the duration of the event. The advertising element is recognized over time during the duration of the advertisement. The contribution element totaled approximately \$-0- and \$19,000 for the years ended September 30, 2021 and 2020, respectively.

12. Advertising

Advertising costs are charged to operations when the advertisement is published. Advertising expense totaled approximately \$118,000 and \$147,000 for the years ended September 30, 2021 and 2020, respectively

13. Functional Allocation of Expenses

The cost of providing the various program services and related supporting services has been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Salaries and related payroll expenses are allocated based on estimated time and effort of the Commission's personnel. In-kind contribution expenses are allocated based on headcount. Allocation of all other expenses is based on actual usage or management's estimate of usage applicable to the programs and supporting services benefited.

14. Related Party Transactions

The Commission enters into certain promotional partnership agreements and marketing transactions and incurs expenses with organizations affiliated with members of the Commission's board of directors. During the years ended September 30, 2021 and 2020, these transactions generated revenues of approximately \$98,000 and \$575,000, respectively. There were accounts receivable of approximately \$98,000 and \$436,000 at September 30, 2021 and 2020, respectively.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

In addition, the Commission incurred expenses of approximately \$856,000 and \$224,000 during the years ended September 30, 2021 and 2020, respectively. These transactions are conducted at arm's length and are in the normal course of business.

In October 2014, the Commission entered into a Professional Employment Agreement with Visit Tampa Bay (VTB) to furnish the Commission with employees to perform certain job functions. Based on services rendered under this agreement, the Commission will pay VTB a 5% service fee of VTB's total payroll amount including taxes and benefits. The Commission incurred expenses of approximately \$41,000 and \$45,000 during the years ended September 30, 2021 and 2020, respectively. The Commission periodically pays vendors on behalf of VTB for which they are reimbursed. There were accounts receivable of approximately \$23,000 and \$8,000 at September 30, 2021 and 2020, respectively. The Commission also received donated use of office space which is recorded as an in-kind contribution within the accompanying statements of activities during the years ended September 30, 2021 and 2020 as discussed in Note A10.

In January 2020, the Commission entered into a management services agreement with Tampa Bay Super Bowl LV Host Committee (the Committee) to manage all operations and staff for the Committee in preparation for the community's hosting of Super Bowl LV. The management services fee is contingent on the actual cash flow and operating results of the Committee at the conclusion of the event. The management fee was accrued as of September 30, 2021 for \$1,750,000 based upon estimated cash flows of the Committee. The amount is expected to be paid in 2022 when the actual cash flows and operating results are finalized. There were accounts receivable of approximately \$1,750,000 and \$50,000 at September 30, 2021 and 2020, respectively.

15. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE B - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 2,404,720	\$ 1,832,783
Accounts receivable, current portion	2,075,002	726,294
Total financial assets	<u>4,479,722</u>	<u>2,559,077</u>
Less: donor-imposed purpose restrictions	<u>(140,133)</u>	<u>(500,000)</u>
Total financial assets available for general expenditures within one year	<u>\$ 4,339,589</u>	<u>\$ 2,059,077</u>

The Commission has a goal to maintain financial assets, which consist of cash on hand to meet two months of operating expenses of approximately \$600,000.

NOTE C - FURNITURE, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS

Furniture, equipment, and leasehold improvements consist of the following at September 30:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 116,285	\$ 116,285
Leasehold improvements	215,467	215,467
	<u>331,752</u>	<u>331,752</u>
Less: accumulated depreciation	<u>(199,418)</u>	<u>(178,820)</u>
Total	<u>\$ 132,334</u>	<u>\$ 152,932</u>

NOTE D - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at September 30:

	<u>2021</u>	<u>2020</u>
Time restrictions on sponsorships	\$ 480,700	\$ 472,655
Forever 55 Social Legacy Initiative	<u>140,133</u>	<u>500,000</u>
Total	<u>\$ 620,833</u>	<u>\$ 972,655</u>

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE E - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from restrictions as follows for the years ended September 30:

	<u>2021</u>	<u>2020</u>
Time restrictions on sponsorships	\$ -	\$ 96,100
Forever 55 Social Legacy Initiative	<u>1,359,867</u>	<u>400,000</u>
Total	<u>\$ 1,359,867</u>	<u>\$ 496,100</u>

NOTE F - CONCENTRATION RISK

The Commission receives significant funding (approximately 17% and 32% of total revenue for the years ended September 30, 2021 and 2020, respectively) from contracts with Hillsborough County, Florida to foster local amateur youth sports and national and international amateur sports competition. The revenue earned on these contracts totaled approximately \$1,050,000 and \$1,046,000 for the years ended September 30, 2021 and 2020, respectively, which is included in the accompanying statements of activities as local government contracts. The accompanying statements of financial position include approximately \$77,000 and \$13,000 of accounts receivable under these contracts as of September 30, 2021 and 2020, respectively.

The Commission also receives significant funding (approximately 28% and 4% of total revenue for the years ended September 30, 2021 and 2020, respectively) from contracts with the Florida Sports Foundation to conduct amateur sports competitions. The revenue earned on these contracts totaled approximately \$1,778,000 and \$139,000 for the years ended September 30, 2021 and 2020, respectively, which is included in the accompanying statements of activities as state grants and contracts. The accompanying statements of financial position include \$-0- and \$550,000 of deferred revenue under these contracts as of September 30, 2021 and 2020, respectively.

NOTE G - COMMITMENTS AND CONTINGENCIES

Operating Leases

The Commission leases office space in Tampa, Florida under a noncancelable operating lease that expires in 2028. Rent expense related to this lease totaled approximately \$49,000 and \$48,000 for the years ended September 30, 2021 and 2020, respectively.

Under the terms of the office space lease, rental payments for a portion of 2018 were abated. However, the amount of rent abated was charged to rent expense and included in rent payable in the accompanying financial statements. In addition, under the terms of the lease, the Commission received an allowance for the cost of tenant improvements to be applied against rent payments.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE G - COMMITMENTS AND CONTINGENCIES - Continued

Such allowance has been recorded in leasehold improvements and rent payable in the accompanying financial statements and will be amortized to reduce rent expense over the remaining life of the lease.

The future minimum lease payments, by year and in aggregate, under the noncancelable operating lease consist of the following:

<u>Year ending September 30,</u>	<u>Amount</u>
2022	\$ 58,458
2023	60,211
2024	62,018
2025	63,878
2026	65,794
Thereafter	102,582
	<u>\$ 412,941</u>

Contract Conditions

Various county contracts require the fulfillment of certain conditions as set forth in the originating contracts. Failure to fulfill the conditions could result in the return of funds related to such contracts. Although this is a possibility, management deems the contingency remote, due to both the nature of the contracts and current conditions. Additionally, the availability of funding under these contracts is subject to change with little or no advance notice.

NOTE H - PPP LOAN PAYABLE

In April 2020, the Commission received a \$119,100 U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) loan for organizations who continued to pay their employees during the COVID-19 pandemic. The Commission was granted loan forgiveness in April 2021, as it fully met the requirements for loan forgiveness under the PPP program. The forgiveness has been recognized as revenue in the Statement of Activities and Changes in Net Assets for the year ended September 30, 2021.

Additionally, in May 2021, the Organization received \$118,497 as a second draw PPP loan. The Commission can apply for loan forgiveness for the amount used for payroll and other specific costs outlined in the loan agreement. The Commission plans to file for forgiveness in accordance with the terms of the agreement and anticipates the loan to be fully forgiven in 2022. See Note I - Subsequent Events.

Tampa Bay Sports Commission, Inc.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021 and 2020

NOTE I - SUBSEQUENT EVENTS

The Commission has evaluated subsequent events through May 3, 2022, the date the financial statements were available to be issued.

In October 2021, the Organization was granted full forgiveness of the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) loan in the amount of \$118,497 as it fully met the requirements for loan forgiveness under the PPP program. The forgiveness will be recognized as revenue in the Statement of Activities and Changes in Net Assets for the year ending September 30, 2022.

Tampa Bay Sports Commission, Inc.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the year ended September 30, 2021

<u>State Grantor Program or Cluster Title</u>	<u>State CSFA #</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total State Expenditures</u>	<u>Transfers to Subrecipients</u>
State Agency				
<u>State of Florida Department of Economic Opportunity</u>				
Direct Programs				
Economic Development Partnerships	40.040	N/A	\$ 1,760,022	\$ -
Total State of Florida Department of Economic Opportunity			<u>1,760,022</u>	<u>-</u>
Total expenditures of state financial assistance			<u>\$ 1,760,022</u>	<u>\$ -</u>

Tampa Bay Sports Commission, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

September 30, 2021

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of State Financial Assistance (the "Schedule") includes the State project activity of the Organization under programs of the State of Florida for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of Chapter 10.650, Rules of the Auditor General. Because the Schedule only presents a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE B - BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported on the accrual basis of accounting

NOTE C - CONTINGENCIES

These State projects are subject to financial and compliance audits by grantor agencies, which, if instances of material noncompliance are found, may result in disallowed expenditures, and affect the Organization continued participation in specific projects. The amount of expenditures which may be disallowed by grantor agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

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*

TAMPA BAY SPORTS COMMISSION, INC.

For the year ended September 30, 2021



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  
Tampa Bay Sports Commission, Inc.

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 Tampa Bay Sports Commission, Inc. (the "Organization"), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 3, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



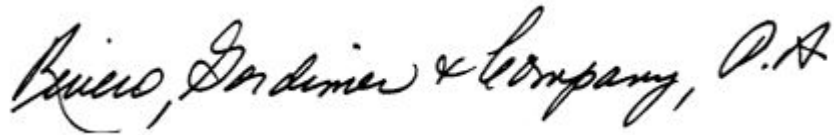
## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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*.

## 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.

Tampa, Florida  
May 3, 2022

A handwritten signature in black ink that reads "Bueco, Gardner & Company, P.A." The signature is written in a cursive, flowing style.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY CHAPTER 10.650,  
*RULES OF THE AUDITOR GENERAL*

TAMPA BAY SPORTS COMMISSION, INC.

For the year ended September 30, 2021



Herman V. Lazzara	Michael E. Helton
Sam A. Lazzara	Christopher F. Terrigino
Kevin R. Bass	James K. O'Connor
Jonathan E. Stein	David M. Bohnsack
Stephen G. Douglas	Julie A. Davis
Marc D. Sasser, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

Board of Directors  
Tampa Bay Sports Commission, Inc.

**Report on Compliance for Each Major State Project**

We have audited Tampa Bay Sports Commission, Inc.'s compliance with the types of compliance requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of Tampa Bay Sports Commission, Inc.'s major state projects for the year ended September 30, 2021. Tampa Bay Sports Commission, Inc.'s major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the state statutes, regulations, and terms and conditions of its state projects applicable to its state projects.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Tampa Bay Sports Commission, Inc.'s major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General*. Those standards, and Chapter 10.650, *Rules of the Auditor General* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about Tampa Bay Sports Commission, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state project. However, our audit does not provide a legal determination of Tampa Bay Sports Commission, Inc.'s compliance.



## Opinion on Each Major State Project

In our opinion, Tampa Bay Sports Commission, Inc.'s complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2021.

## Report on Internal Control over Compliance

Management of Tampa Bay Sports Commission, Inc.'s is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tampa Bay Sports Commission, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project, and to test and report on internal control over compliance in accordance with Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Tampa Bay Sports Commission, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of Chapter 10.650 *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Tampa, Florida  
May 3, 2022



SCHEDULE OF FINDINGS AND QUESTIONED COSTS

TAMPA BAY SPORTS COMMISSION, INC.

September 30, 2021

Tampa Bay Sports Commission, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended September 30, 2021

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued Unmodified

Internal control over financial reporting  
 Material weakness(es) identified?      yes   X   no  
 Significant deficiency(s) identified that are not  
 considered to be material weakness(es)?      yes   X   none reported

Noncompliance material to financial statements noted?      yes   X   no

**State Financial Assistance**

Internal control over major projects:  
 Material weakness(es) identified?      yes   X   no  
 Significant deficiency(s) identified that are not  
 considered to be material weakness(es)?      yes   X   none reported

Type of auditors' report issued on compliance for  
 major projects Unmodified

Any audit findings disclosed that are required to be reported  
 in accordance with Chapter 10.650?      yes   X   no

Identification of major projects:

<u>CSFA Number</u>	<u>Name of State Project</u>
40.040	Local Economic Development Initiatives

Dollar threshold used to distinguish between type A  
 and type B state projects      \$   528,007  

**Section II - Financial Statement Findings**

No matters were reported for the year ended September 30, 2021.

**Section III - State Financial Assistance Findings and Questioned Costs**

No matters were reported for the year ended September 30, 2021.

**Other Issues**

A Summary Schedule of Prior Audit Findings is not required because there were no prior year audit findings related to State projects (see AG Rules 10.557(3)(e)5. and 10.656(3)(d)5.)

A management letter is not required because there were no findings required to be reported in the management letter (see AG Rule Section 10.656(3)(e)).

A Corrective Action Plan is not required because there were no findings required to be reported under the Federal or Florida Single Audit Acts. (see AG Rules 10.557(3)(d)6. and 10.656(3)(d)6.)