

Financial Statements  
and Supplementary Information

**Florida Tourism Industry Marketing Corporation, Inc.**  
d/b/a VISIT FLORIDA

*Years ended June 30, 2024 and 2023  
with Report of Independent Auditors*



Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Financial Statements  
and Supplementary Information

Years ended June 30, 2024 and 2023

**Contents**

<b>Report of Independent Auditors</b> .....	1
<b>Management's Discussion and Analysis</b> .....	5
<b>Financial Statements</b>	
Statements of Net Position .....	11
Statements of Revenues, Expenses, and Changes in Net Position .....	12
Statements of Cash Flows .....	13
Notes to Financial Statements .....	15
<b>Other Required Supplementary Information</b>	
Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios .....	30
Notes to Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios .....	31
<b>Supplementary and Other Information</b>	
Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	32
Report of Independent Auditors on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.650, <i>Rules of the Auditor General</i> .....	34
Schedule of Expenditures of Federal Awards and State Financial Assistance .....	37
Schedule of Findings and Questioned Costs Relating to Federal Awards and State Financial Assistance .....	38

## Report of Independent Auditors

Board of Directors  
Florida Tourism Industry Marketing Corporation, Inc. d/b/a VISIT FLORIDA

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the Florida Tourism Industry Marketing Corporation, Inc. d/b/a VISIT FLORIDA (the Corporation) which comprise the statements of net position as of June 30, 2024 and 2023, the related statements of revenues, expenses, and changes in net position, and cash flows as of and for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation, as of June 30, 2024 and 2023, and the changes in its net position and its 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern within one year after the date that the financial statements are issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the 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 GAAS and *Government 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 financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 the Corporation's internal control. Accordingly, no such opinion is expressed.

Page Three

- 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios and related Notes, as listed in the table of contents, be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Corporation's basic financial statements. The schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, *Rules of the Auditor General*, and the schedule of findings and questioned costs relating to federal awards and state financial assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards and state financial assistance and the schedule of findings and questioned costs relating to federal awards and state financial assistance are 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 September 25, 2024 on our consideration of the Corporation'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 solely 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 the effectiveness of the Corporation's 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 Corporation's internal control over financial reporting and compliance.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
September 25, 2024

## Management's Discussion and Analysis

The following Management's Discussion and Analysis is for the financial statements of the Florida Tourism Industry Marketing Corporation, Inc. d/b/a VISIT FLORIDA for the fiscal years ended June 30, 2024 and June 30, 2023.

VISIT FLORIDA is a not-for-profit corporation established by s. 288.1226, Florida Statutes, to promote and market Florida tourism. It is considered a component unit of the state of Florida for financial reporting purposes.

### History

During the 1996 session, the Florida Legislature voted to dismantle the state's Department of Commerce and transferred the responsibility of promoting and marketing Florida tourism to the Florida Commission on Tourism (the Commission). The Commission operated pursuant to a partnership agreement with the Executive Office of the Governor's Office of Tourism, Trade and Economic Development (OTTED) which outlined the expectations and responsibilities for program implementation. In accordance with Florida law and the OTTED partnership agreement, the Commission formed the Florida Tourism Industry Marketing Corporation, Inc. (which now does business as VISIT FLORIDA) as a direct-support organization responsible for implementing programs under its purview.

Following the 2011 Florida Legislative Session, many Florida public-private partnerships were reorganized, including VISIT FLORIDA. OTTED's duties were transferred to the Department of Economic Opportunity (DEO) and VISIT FLORIDA became a direct-support organization of Enterprise Florida, Inc. (EFI). Thereafter, VISIT FLORIDA's annual public appropriation has been included in DEO's section of the General Appropriations Act and has been made available to VISIT FLORIDA through a contract with DEO and EFI.

EFI was dissolved and DEO was renamed as the Florida Department of Commerce (DOC) following the 2023 legislative session. As of the 2023-2024 fiscal year, VISIT FLORIDA is a direct-support organization of DOC.

Additional Legislative changes in 2017 reduced amounts allowable for match purposes. These revisions provided that contributions from a government entity or from an entity that received more than 50 percent of its revenue in the previous fiscal year from public sources, including revenue derived from taxes, other than taxes collected pursuant to s. 125.0104, from fees, or from other government revenues, are not considered private contributions for purposes of calculating the required one-to-one match<sup>1</sup>. As a result, the total matching funds reported to DOC will be less than the recorded revenue on the financial statements.

### Structure

VISIT FLORIDA's exclusive statutory purpose and mission is to promote and market Florida tourism. Its corporate headquarters are located in Tallahassee, Florida. For financial reporting purposes the corporation's marketing activity is organized into the following eight departments:

- The Advertising department develops and executes direct consumer advertising and cooperative advertising efforts with tourism advertising partners. The advertising programs reach consumers inside the state of Florida and targeted markets in the United States and internationally via broadcast, social, print, out-of-home, and digital media channels.
- The Promotions department develops and executes promotional campaigns in cooperation with a variety of media partners, primarily radio stations.

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<sup>1</sup> Chapter 288.1226 (6) (b) 4., F.S.

- The Content department creates and distributes Florida travel content, primarily videos, photography and articles.
- The Public Relations department generates positive media exposure for Florida’s tourism industry through broadcast, print and digital media in key international and domestic markets. VISIT FLORIDA has public relations representation and/or contractors in the United States, Canada, Mexico, Brazil, Colombia, Germany and the United Kingdom.
- The Marketing and Events department develops and leverages relationships with travel agents, tour operators and meetings professionals to drive sales. The Marketing and Events department in Tallahassee works closely with our contractors in the United States, Canada, Mexico, Brazil, Chile, Argentina, Colombia, Peru, Ecuador, Germany and the United Kingdom to promote Florida.
- The Visitor Services department operates three highway Welcome Centers (located on the Florida border of I-10, I-75, and I-95) and an information center in the Florida State Capitol.
- The Industry Relations and Sales department develops and manages partnership relationships and related activity.
- The Research department sources, analyzes and reports market and marketing performance data.

**Financial reporting for VISIT FLORIDA for the year ended June 30, 2024  
compared to June 30, 2023.**

For financial reporting purposes, VISIT FLORIDA prepares its financial statements under Governmental Accounting Standards and follows the financial statement format required for enterprise funds. The basic financial statements required for enterprise funds include the statement of net position (balance sheet), the statement of revenues, expenses, and changes in net position (income statement), the statement of cash flows, and the notes to the financial statements. Significant transactions and operational issues reflected in the June 30, 2024 and June 30, 2023 financial statements are discussed in the paragraphs below.

Statement of Revenue, Expenses, and Changes in Net Position

Each year VISIT FLORIDA receives a portion of its operating revenue from the state of Florida; these funds are appropriated by the Florida Legislature and remitted to VISIT FLORIDA. VISIT FLORIDA is mandated by the Florida Legislature to match the public funding, dollar for dollar, with allowable private funds. The public funding can be appropriated from multiple sources:

- The Tourism Promotional Trust Fund (TPTF), which is funded by a designated share (15.75 percent) of the State’s per day rental car surcharge.
- The State Economic Enhancement and Development Trust Fund (SEED), which is funded by document stamp taxes.
- The General Revenue Fund.

For fiscal year 2024, the state appropriation was \$80,000,000, which consisted of \$24,000,000 from the TPTF, \$26,000,000 from the SEED and \$30,000,000 from the General Revenue Fund. For fiscal year 2023, the state appropriation was \$50,000,000, which consisted of \$24,000,000 from the TPTF and \$26,000,000 from the SEED. Both fiscal years required expenditures of \$1,000,000 to be spent on veterans marketing and research. For fiscal year 2024, \$5,000,000 of the appropriation must be spent to develop marketing for nature-based tourism and trail towns.

VISIT FLORIDA received additional funding through the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) and the American Rescue Plan Act (ARPA) in fiscal years ending June 30, 2023 and/or 2024.

- The Florida Legislature appropriated \$25,000,000 from the General Revenue Fund to conduct activities that support and fund Florida's tourism industry and its recovery from COVID-19 through promotion and marketing activities, services, functions and programs. This specific appropriation originated from the ARPA funds. The State released \$20,435,092 of this appropriation during fiscal year ending June 30, 2022, and the entire amount was expended. The remaining \$4,564,908 was released and expended during fiscal year 2023.
- The Governor's Office was notified of additional funds available from the ARPA and allocated these funds to VISIT FLORIDA. The funds were awarded in January 2022 and total \$14,851,410 and do not require a match from VISIT FLORIDA. The funds are allotted to support travel, tourism and outdoor recreation sectors and are planned to be spent over a couple of fiscal years. No funds were spent during fiscal year ended June 30, 2022. During fiscal year 2023, ARPA grant funds of \$12,446,313 were combined with \$4,175,000 in partner participation for a total of \$16,621,313 in expenses. The remaining \$2,405,097 was spent during fiscal year 2024.
- Triumph Gulf Coast, Inc. awarded VISIT FLORIDA a three-year grant of \$10,500,000 to create an innovative regional marketing campaign focused on promoting the region's outdoor and adventure experiences to drive tourism growth and economic development across Northwest Florida. This grant will fund a project to benefit all eight Northwest counties and was developed with the Northwest Florida Tourism Council and supported by the Board of County Commissioners in all eight counties. The grant will be matched with a three-year cumulative total of \$1,500,000 from VISIT FLORIDA and \$1,500,000 from Northwest Florida. The total committed spend over the three-year span is \$13,500,000, which will conclude before December 31, 2026. VISIT FLORIDA incurred \$169,074 during fiscal year 2024.

For fiscal year 2024, the Department of Business Professional Regulation (DBPR), in its Division of Hotels & Restaurants, received a \$1,000,000 appropriation for the Florida Restaurant and Lodging Association (FRLA) In-State Tourism Marketing Campaign Appropriations Project. This Project allowed VISIT FLORIDA to contract with FRLA to develop a coordinated marketing, media, and events program to promote Florida tourism to residents of the State. VISIT FLORIDA invoiced DBPR quarterly and as the events are executed and reconciled VISIT FLORIDA submits payments to FRLA. FRLA also provided a match of \$1,755,000 during the fiscal year.

Hurricanes affected Florida during fiscal years 2023 and 2024.

- Hurricane Ian made landfall in September 2022 and impacted numerous counties across Florida. A recovery plan was approved for a three-phased approach. The first phase promoted a Florida Strong message as well as promoting the unimpacted areas with time stamped creative. The second phase supported the FEMA designated 19 impacted counties with a one-to-one cooperative campaign when the counties were ready to welcome visitors. The final phase was to specifically support the five southwest impacted counties with customized marketing plans. The total hurricane recovery expenditures were \$5,103,688, which includes \$900,000 in cooperative participation from the impacted counties.
- Hurricane Idalia hit the Big Bend region of Florida in August 2023. VISIT FLORIDA spent a total of \$410,417 on customized marketing plans for the four most severely impacted counties, which were Dixie, Levy, Suwannee and Taylor.

During fiscal year 2024, the total State appropriation and Federal grant funding recorded was \$83,404,776 with \$82,405,097 spent to market travel to the state and \$999,679 towards marketing the state of Florida to veterans. During fiscal year 2023, the total State appropriation and Federal grant funding recorded was \$67,009,143 with \$66,011,221 spent to market travel to the state and \$997,922 towards marketing the state of Florida to veterans.

In fiscal year 2024, the Florida tourism industry generated \$4,920,043 in cooperative advertising revenue and the related direct advertising expense was \$73,680,668. This resulted in a total expenditure for advertising of \$78,600,711 during the fiscal year. In fiscal year 2023, the Florida tourism industry generated \$5,719,434 in cooperative advertising revenue and the related direct advertising expense was \$57,607,917. This resulted in a total expenditure for advertising of \$63,327,351 in fiscal year 2023. Total advertising expenditures increased \$15,273,360 from fiscal year 2023 to fiscal year 2024 as a result of an increase in the State appropriation of \$31,000,000 offset by a reduction of federal funding of \$14,606,124.

Trade show and event revenue of \$2,483,271 for fiscal year 2024 and \$1,901,795 for fiscal year 2023 was generated from industry participation in programs conducted by various departments throughout the organization. The expenses related to these programs are trade show/events direct expenses, a portion of fees and services as well as general and administrative, printing, and travel, and the majority of the expenses for business promotion. The \$581,476 increase is due to additional event participation.

Partnership investment revenue results from the dollars received by the VISIT FLORIDA industry Partners. Investments of \$1,862,587 were made by 1,556 investing Partners in fiscal year 2024 and \$1,908,867 were made by 1,464 investing Partners in fiscal year 2023.

Other operating revenue of \$13,087,324 for fiscal year 2024 and \$9,999,234 for fiscal year 2023 consist of the following: Revenue generated from advertisers in cooperative programs, FRLA in-state tourism marketing campaign match, brochure and transparency rental space revenue in the official Florida Welcome Centers, publication revenue from advertisers in the Florida Vacation Guide and Florida Map!, reimbursement from the Florida Department of Citrus for juice served at the Welcome Centers, research revenue, and LoveFL merchandise revenue. The increase of \$3,088,090 is primarily due to additional revenue generated from partner participation related to co-op programs and the addition of the FRLA in-state marketing campaign in fiscal year 2024.

Contributed promotional value of \$102,165,506 for fiscal year 2024 and \$83,334,895 for fiscal year 2023 was the actual market value of the media generated by VISIT FLORIDA's Promotions department. Contributed promotional value qualifies under Florida Statutes towards the required private sector match, but it is not recognized in the audited financial statements. The increase in promotional value is the result of an increase in the number of promotions and the length of airtime.

Salaries and benefits for fiscal year 2024 were \$9,361,138 and for fiscal year 2023 were \$7,742,728. The corporation funded 87 positions during fiscal year 2024.

Fees and services of \$6,396,880 for fiscal year 2024 and \$5,740,832 for fiscal year 2023 were primarily for contracted services related to content creation, domestic and international agency representation for VISIT FLORIDA's marketing and events and public relations departments, PR campaigns and events, trade show events services, services for the website, and other information technology services. The increase is due to spending more on PR and trade events, and adding the FRLA in-state marketing campaign.

Fulfillment expenses of \$249,095 for fiscal year 2024 and \$222,628 for fiscal year 2023 were costs associated with consumer requests for Florida Vacation Guides and the Florida Map!. These costs include freight, handling, postage, and toll-free numbers expenditures.

Research of \$1,917,550 for fiscal year 2024 and \$1,675,350 for fiscal year 2023 include costs associated with research projects conducted by VISIT FLORIDA's Research department to allow them to report statutory travel data to the state of Florida and to conduct research for the Florida tourism industry on the status of Florida tourism, how it is performing, and what is needed for future growth.

The private funds received by VISIT FLORIDA to count toward the match with the State dollars totaled \$124,707,813 for the fiscal year 2024 and \$102,974,307 for the fiscal year 2023. These amounts include the contributed promotional value and interest income with the increase for 2024 due mainly to an increase in contributed promotional value and additional participation in the programs offered for the fiscal year. VISIT FLORIDA exceeded the dollar for dollar match for the fiscal year. As noted above, legislative changes effective July 1, 2017 to Chapter 288, Florida Statutes, reduced amounts allowable for match purposes, therefore the total private match reported to Commerce is \$121,603,296.

#### Statement of Net Position

The cash balance for fiscal year 2024 was \$19,980,512, which includes the restricted Economic Risk Fund of \$2,164,855. The cash balance for fiscal year 2023 was \$11,844,232, which includes the restricted Economic Risk Fund of \$2,164,855.

The accounts receivable balance of \$20,640,934 for fiscal year 2024 consists of \$15,999,679 for the 4<sup>th</sup> quarter payment and \$886,912 for Federal ARPA reimbursement and the remainder is primarily for co-op advertising billings. Accounts receivable of \$20,328,441 for fiscal year 2023 consists of \$9,997,922 for the 4<sup>th</sup> quarter payment and \$3,237,577 for ARPA reimbursement from the state of Florida, \$4,729,026 for Federal ARPA reimbursement and the remainder is primarily for co-op advertising billings. Prepaid expenses of \$1,473,029 for fiscal year 2024 and \$952,501 for fiscal year 2023 consisted of expenditures made in advance of scheduled events.

As of June 30, 2024, and 2023, VISIT FLORIDA had invested, net of accumulated depreciation, amortization, and associated liabilities, \$242,272 and \$495,900, respectively, in a range of capital assets including furniture, equipment, and leasehold improvements. A more detailed schedule about VISIT FLORIDA's capital assets is presented in Note 3 of the financial statements.

As of June 30, 2024, the right-of-use lease and subscription assets recorded, net of accumulated amortization, are \$3,165,204 and the current portion of lease and subscription liabilities are \$557,833 and \$2,724,294 for the noncurrent portion of lease and subscription liabilities. The right-of-use lease and subscription assets recorded, net of accumulated amortization as of June 30, 2023, are \$4,009,144 and the current lease and subscription liabilities are \$515,214 and \$3,596,872 for the noncurrent lease and subscription liabilities.

See Notes 5 and 6 of the financial statements for a more detailed schedule about VISIT FLORIDA's lease and subscription assets.

Accounts payable of \$557,504 for fiscal year 2024 and \$100,277 for fiscal year 2023 were for invoices received and not yet due for payment. Accrued expenses of \$23,822,369 for fiscal year 2024 and \$17,103,159 for fiscal year 2023 were comprised primarily of amounts committed to production and advertising programs through our advertising agencies. Unearned restricted revenue for both fiscal years consists of revenue collected for co-op programs, programs for Welcome Center rentals, meeting and events, and partner investments for the next fiscal year. The balance is \$1,838,368 for fiscal year 2024 and \$1,126,642 for fiscal year 2023.

VISIT FLORIDA recorded an increase in net position of \$930,452 for fiscal year 2024, some of which will be used for capital outlay in renovating the I-95 Welcome Center lobby next fiscal year. There was an increase in net position of \$591,095 for fiscal year 2023, some of which was used for capital outlay.

	Fiscal Year 2023-2024	Fiscal Year 2022-2023	Year over Year Variance
<b>Total Assets</b>			
Capital and Right-of-use Assets	3,524,399	4,505,044	(980,645)
Non-capital Assets	42,094,475	33,125,174	8,969,301
	<u>45,618,874</u>	<u>37,630,218</u>	<u>7,988,656</u>
<b>Total Liabilities</b>	29,500,368	22,442,164	7,058,204
<b>Total Net Position</b>			
Net Investment in capital assets	242,272	495,900	(253,628)
Restricted for economic risk	2,164,855	2,164,855	-
Unrestricted	13,711,379	12,527,299	1,184,080
	<u>16,118,506</u>	<u>15,188,054</u>	<u>930,452</u>
<b>Total Revenues*</b>	105,947,083	86,648,555	19,298,528
<b>Total Expenses*</b>	105,016,631	86,057,460	18,959,171

*\*Balances exclude value of Contributed Promotional Value - see Note 7 of the financial statements.*

### Next Fiscal Year

The appropriation from the Florida Legislature is \$80,000,000 for the upcoming fiscal year ending June 30, 2025. This will be funded by the TPTF at \$24,000,000, the SEED Trust fund at \$26,000,000, and General Revenue fund at \$30,000,000. As required by law, \$1,000,000 must be expended on veterans marketing and research and \$5,000,000 specifically expended on nature-based tourism and trail towns. The FRLA In-State Tourism Marketing Campaign will again be funded via a DBPR appropriation of \$1,000,000.

Respectfully submitted,

Shanna Pace  
Chief Financial Officer

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Statements of Net Position

	June 30,	
	2024	2023
<b>Assets</b>		
Current assets:		
Cash	\$ 17,815,657	\$ 9,679,377
Accounts receivable, net	20,640,934	20,328,441
Prepaid expenses and other assets	<u>1,473,029</u>	<u>952,501</u>
Total current assets	<u>39,929,620</u>	<u>30,960,319</u>
Noncurrent assets:		
Restricted cash	2,164,855	2,164,855
Capital assets, net	<u>3,524,399</u>	<u>4,505,044</u>
Total noncurrent assets	<u>5,689,254</u>	<u>6,669,899</u>
Total assets	<u>\$ 45,618,874</u>	<u>\$ 37,630,218</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 557,504	\$ 100,277
Accrued expenses	23,822,369	17,103,159
Unearned revenue	1,838,368	1,126,642
Lease liabilities, current	284,688	310,547
Subscription liabilities, current	<u>273,145</u>	<u>204,667</u>
Total current liabilities	<u>26,776,074</u>	<u>18,845,292</u>
Noncurrent liabilities:		
Lease liabilities, noncurrent	2,642,287	3,149,760
Subscription liabilities, noncurrent	<u>82,007</u>	<u>447,112</u>
Total liabilities	<u>29,500,368</u>	<u>22,442,164</u>
Net position:		
Net investment in capital assets	242,272	495,900
Restricted for economic risk	2,164,855	2,164,855
Unrestricted	<u>13,711,379</u>	<u>12,527,299</u>
Total net position	<u>16,118,506</u>	<u>15,188,054</u>
Total liabilities and net position	<u>\$ 45,618,874</u>	<u>\$ 37,630,218</u>

*See accompanying notes.*

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Statements of Revenues, Expenses, and Changes in Net Position

	<b>2024</b>	<b>2023</b>
<b>Operating revenues:</b>		
Program support:		
Cooperative advertising	\$ 4,920,043	\$ 5,719,434
Trade show and events	2,483,271	1,901,795
Partnership investment	1,862,587	1,908,867
Other	13,087,324	9,999,234
Contributed promotional value (Note 7)	-	-
State of Florida grants and direct appropriations	80,999,679	49,997,922
Federal and federal pass-through grants	<u>2,405,097</u>	<u>17,011,221</u>
Total operating revenues	<u><b>105,758,001</b></u>	<u><b>86,538,473</b></u>
<b>Expenses:</b>		
Advertising	73,680,668	57,607,917
Business promotion	1,104,721	770,346
Citrus juice	169,924	150,766
Cooperative advertising	4,920,043	5,719,434
Depreciation and amortization	725,735	553,305
Fees and services	6,396,880	5,740,832
Fulfillment	249,095	222,628
General and administrative	1,360,731	1,560,045
Insurance premiums - hurricane recovery	213,500	135,000
Interest expense	129,302	86,707
Printing	208,333	303,060
Rents	70,145	75,868
Salaries and benefits	9,361,138	7,742,728
Research	1,917,550	1,675,350
Trade show and event direct	2,212,170	1,745,291
Travel	<u>2,296,696</u>	<u>1,968,183</u>
Total expenses	<u><b>105,016,631</b></u>	<u><b>86,057,460</b></u>
Operating income	<u><b>741,370</b></u>	<u><b>481,013</b></u>
Nonoperating revenue:		
Interest income	<u><b>189,082</b></u>	<u><b>110,082</b></u>
Increase in net position	<b>930,452</b>	591,095
Net position at beginning of year	<u><b>15,188,054</b></u>	<u><b>14,596,959</b></u>
Net position at end of year	<u><b>\$ 16,118,506</b></u>	<u><b>\$ 15,188,054</b></u>

*See accompanying notes.*

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Statements of Cash Flows

	<b>Years ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
Cash received from program services	\$ 21,796,816	\$ 14,131,006
Cash received from operating grants	84,803,128	75,821,779
Cash payments to suppliers for goods and services	(88,761,645)	(84,230,176)
Cash payments to employees	<u>(9,316,050)</u>	<u>(7,681,071)</u>
Net cash provided by (used in) operating activities	<u>8,522,249</u>	<u>(1,958,462)</u>
<b>Investing activities</b>		
Interest income received	<u>189,082</u>	<u>110,082</u>
Net cash provided by investing activities	<u>189,082</u>	<u>110,082</u>
<b>Capital and related financing activities</b>		
Purchase of capital assets	-	(334,510)
Lease payments	(309,435)	(187,654)
Information technology subscriptions payments	<u>(265,616)</u>	<u>(131,799)</u>
Net cash used in capital and related financing activities	<u>(575,051)</u>	<u>(653,963)</u>
Net increase (decrease) in cash and restricted cash	<b>8,136,280</b>	(2,502,343)
Cash and restricted cash at beginning of year	<u>11,844,232</u>	<u>14,346,575</u>
Cash and restricted cash at end of year	<u>\$ 19,980,512</u>	<u>\$ 11,844,232</u>
<b>Reconciliation of operating income to net cash provided by (used in) operating activities</b>		
Operating income	\$ 741,370	\$ 481,013
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation and amortization	725,735	553,305
Changes in operating assets and liabilities:		
Accounts receivable	(312,493)	3,119,451
Prepaid expenses and other assets	(520,527)	(129,932)
Accounts payable	457,227	(134,608)
Accrued expenses	6,719,210	(5,919,407)
Unearned restricted revenue	<u>711,727</u>	<u>71,716</u>
Net cash provided by (used in) operating activities	<u>\$ 8,522,249</u>	<u>\$ (1,958,462)</u>

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Statements of Cash Flows (continued)

	<b>Years ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash and restricted cash consists of:</b>		
Cash	\$ 17,815,657	\$ 9,679,377
Restricted cash	<u>2,164,855</u>	<u>2,164,855</u>
	<u>\$ 19,980,512</u>	<u>\$ 11,844,232</u>
 <b>Other supplemental disclosures of noncash transactions:</b>		
Lease right-of-use assets acquired	\$ -	\$ 3,262,102
Lease right-of-use liabilities acquired	-	(3,065,214)
Information technology subscription right-of-use assets acquired	<b>151,334</b>	783,578
Information technology subscription right-of-use liabilities acquired	<b>(151,334)</b>	(642,506)

*See accompanying notes.*

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

Years ended June 30, 2024 and 2023

**1. Summary of Significant Accounting Policies**

**Reporting Entity**

Florida Tourism Industry Marketing Corporation, Inc. d/b/a VISIT FLORIDA (the Corporation) is a component unit of the State of Florida and is included in the State of Florida's annual comprehensive financial report. The Corporation is a not-for-profit corporation created as a public/private partnership by the Florida Legislature in 1996 to promote travel and drive visitation to and within the state of Florida through cooperative advertising programs, trade shows, promotional events, public relations, publicity efforts, research services, and operation of four Florida welcome centers. The Corporation contracts with the Florida Department of Commerce (DOC) for tourism marketing on behalf of the State of Florida. The Corporation is headquartered in Tallahassee and operates three official Florida Welcome Centers and the Florida Capitol Welcome Center. The Corporation has domestic and international contractors in the United States, Canada, Mexico, Brazil, Chile, Argentina, Colombia, Peru, Ecuador, Germany and the United Kingdom.

The accounting policies of the Corporation conform to generally accepted accounting principles (GAAP) as applied to governmental units. Significant accounting policies of the Corporation are described below.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Corporation's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting for proprietary funds. Proprietary funds report activities generally financed and operated like private businesses and include enterprise funds and internal service funds. Enterprise funds are used to report activities for which a fee is charged to external users for goods or services. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**1. Summary of Significant Accounting Policies (continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations. Operating revenues consist primarily of grant revenues from the DOC and program support derived from cooperative advertising revenue, trade show and event revenue, partnership investments, and other revenue from advertising, website, and Welcome Center activities. These are the principal revenues used by the Corporation to carry out its exempt purpose. Operating expenses include all costs of providing program services and depreciation and amortization of capital assets. All revenues and expenses that do not meet the aforementioned definition are reported as non-operating revenues and expenses.

**Cash and Restricted Cash**

The financial instruments exposed to concentrations of credit risk consist primarily of cash. Cash consists of demand deposits, for which the aggregate bank balances were \$19,980,512 and \$11,844,232 at June 30, 2024 and 2023, respectively. Restricted cash represents a noncurrent amount designated for economic risk by the State of Florida at June 30, 2024. Demand deposits of the Corporation are insured by the Federal Deposit Insurance Corporation or collateralized with securities in Florida's multiple financial institution collateral pool pursuant to Chapter 280, Florida Statutes.

**Accounts Receivable**

Accounts receivable consists primarily of amounts due for trade shows and events, advertising, federal grant funds, and amounts due from the State of Florida associated with the partnership agreement described in Note 8. This amount is reported net of the Corporation's allowance for doubtful accounts of \$4,200 and \$10,782 at June 30, 2024 and 2023, respectively. The Corporation determines its allowance for doubtful accounts using specific identification based on management's experience with prior collections.

**Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods. The proportionate amount of expenses is recognized in each of the benefiting periods.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**1. Summary of Significant Accounting Policies (continued)**

**Capital Assets**

The Corporation's policy is to capitalize asset acquisitions greater than \$5,000. Upon retirement or disposal, the asset and corresponding accumulated depreciation and amortization are removed from the Corporation's accounts and any gain or loss is reported as a nonoperating item.

Capital assets are recorded at cost less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. The estimated useful lives are as follows:

	<u>Useful Lives</u>
Furniture	7
Leasehold improvements	5
Equipment and software	3-5

**Leases**

Leases are defined by the general government as the right to use an underlying asset. As lessee, the Corporation recognizes a lease liability and an intangible right-of-use lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. Right-of-use lease assets are measured based on the net present value of the future lease payments at inception, using the weighted average cost of capital, which approximates the incremental borrowing rate. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability. The Corporation calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred. Additional disclosures regarding leases are in Note 5 to the financial statements.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**1. Summary of Significant Accounting Policies (continued)**

**Subscription Based Information Technology Arrangements**

Subscription Based Information Technology Arrangements (SBITAs) are defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The Corporation recognizes a subscription liability and an intangible right-of-use subscription asset at the beginning of a subscription term unless the SBITA is considered short-term or transfers ownership of the underlying asset. Right-of-use subscription assets are measured based on the net present value of the future SBITA payments at inception, using the weighted average cost of capital, which approximate the incremental borrowing rate. Remeasurement of a subscription liability occurs when there is a change in the SBITA term and/or other changes that are likely to have a significant impact on the subscription liability. The Corporation calculates the amortization of the discount on the subscription liability and reports that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the subscription liability. For SBITA contracts that are short-term, the Corporation recognizes short term subscription payments as outflows of resources (expenses) based on the payment provisions of the subscription contract. Additional disclosures regarding SBITAs are in Note 6 to the financial statements.

**Unearned Revenue**

Unearned revenue occurs when assets are recognized before the revenue recognition criteria have been met. Amounts received in advance from businesses for participating in trade shows or events sponsored by the Corporation are included in unearned revenue and recognized as revenue in the period when the trade show or event occurs.

**Revenue Recognition**

Operating revenues consist primarily of grant revenues from the DOC and program support derived from cooperative advertising revenue, trade show and event revenue, partnership investments, and other revenue from advertising and welcome center activities. These are the principal revenues used by the Corporation to carry out its exempt purpose. Operating expenses include all costs of providing program services and the depreciation and amortization of capital assets. All revenues and expenses that do not meet the aforementioned definition are reported as non-operating revenues and expenses. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Grant revenue is recognized as income when the related grant expense is incurred.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**1. Summary of Significant Accounting Policies (continued)**

**Revenue Recognition (continued)**

Cooperative advertising revenue represents the Corporation's cost of advertising billed to third parties that participate in advertisements promoting travel to and within the state of Florida. Such revenue qualifies under Florida Statutes toward the Corporation's matching requirements discussed in Note 8.

Partnership investments represent voluntary contributions from businesses with interests in Florida tourism that wish to support the Corporation's efforts to promote travel and drive visitation to and within the state of Florida.

**Net Position**

Net position is the difference between assets and liabilities on the Statement of Net Position.

**Net investment in capital assets** – this component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding balance of bonds, mortgages, notes, or other liabilities resulting from the acquisition, construction, or improvement of assets.

**Restricted** - This component of net position consists of amounts that are constrained either: a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or b) by law through constitutional provisions or enabling legislation.

**Unrestricted** - Balances are comprised of the residual of the net position that are not classified as net investment in capital assets or restricted.

It is the Corporation's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Subsequent Events**

The Corporation has evaluated subsequent events through September 25, 2024, the date the financial statements were available to be issued. During the period from June 30, 2024 to September 25, 2024, the Corporation did not have any material recognizable subsequent events.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**1. Summary of Significant Accounting Policies (continued)**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Recent Accounting Pronouncements**

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, effective for the Corporation's fiscal year beginning July 1, 2024. The Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. The Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave - not be recognized until the leave commences. The Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

The Corporation implemented the early adoption of this statement, effective July 1, 2023. As a result, there was no impact to the Corporation's beginning net position upon adoption of the new accounting standard.

**2. Income Taxes**

The Corporation received a determination letter from the Internal Revenue Service in July 1996, granting it an exemption from federal income tax under the Internal Revenue Code, Section 501(c)(6), and as such, is liable for income taxes only on business income unrelated to the purposes for which it is exempt. The Corporation had no significant unrelated business income for the year ended June 30, 2024. There are currently no Internal Revenue Service audits in progress for any tax periods. With few exceptions, the Corporation is no longer subject to examinations by major tax jurisdictions for years ended June 30, 2020 and prior.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**3. Capital and Right-of-Use Assets, Net**

Capital and right-of-use assets, net, consisted of the following at June 30, 2024:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balances</u>
Furniture	\$ 276,292	\$ 5,085	\$ (15,287)	\$ 266,090
Equipment and software	1,885,177	-	(206,624)	1,678,553
Construction in progress	-	-	-	-
Leasehold improvements	388,660	-	-	388,660
Leases, right-of-use assets, office space	3,602,343	-	(223,898)	3,378,445
Leases, right-of-use assets, equipment	36,126	-	-	36,126
Information technology subscriptions, right-of-use assets	<u>783,578</u>	<u>151,334</u>	<u>(182,345)</u>	<u>752,567</u>
	6,972,176	156,419	(628,154)	6,500,441
Accumulated depreciation and amortization	<u>(2,467,132)</u>	<u>(725,736)</u>	<u>216,826</u>	<u>(2,976,042)</u>
	<u>\$ 4,505,044</u>	<u>\$ (569,317)</u>	<u>\$ (411,328)</u>	<u>\$ 3,524,399</u>

Property and equipment, net, consisted of the following at June 30, 2023:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balances</u>
Furniture	\$ 185,216	\$ 133,397	\$ (42,321)	\$ 276,292
Equipment and software	1,993,036	126,714	(234,573)	1,885,177
Construction in progress	111,059	-	(111,059)	-
Leasehold improvements	415,737	185,458	(212,535)	388,660
Leases, right-of-use assets, office space	909,767	3,262,102	(569,526)	3,602,343
Leases, right-of-use assets, equipment	36,126	-	-	36,126
Information technology subscriptions, right-of-use assets	<u>-</u>	<u>783,578</u>	<u>-</u>	<u>783,578</u>
	3,650,941	4,491,249	(1,170,014)	6,972,176
Accumulated depreciation and amortization	<u>(2,972,782)</u>	<u>(544,647)</u>	<u>1,050,297</u>	<u>(2,467,132)</u>
	<u>\$ 678,159</u>	<u>\$ 3,946,602</u>	<u>\$ (119,717)</u>	<u>\$ 4,505,044</u>

Depreciation and amortization expense related to capital and right-of-use assets totaled \$725,735 and \$553,305 for the years ended June 30, 2024 and 2023, respectively.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**4. Intangible Assets, Net**

The Corporation recognized \$375,000 of specifically-identifiable intangible assets related to the purchase of the Florida Huddle event from Huddle International, LLC, during the year ended June 30, 2013. The intangible assets were fully amortized as of June 30, 2019. \$525,000 of the intangible assets were fully amortized and removed during the year ending June 30, 2023 as they were deemed to have no value due to expiration of agreements and other matters.

Intangible assets consisted of the following at June 30:

	<b>2024</b>	<b>2023</b>
Business name, trademarks, and web presence	\$ <b><u>375,000</u></b>	\$ <u>375,000</u>
	<b>375,000</b>	375,000
Accumulated amortization	<b><u>(375,000)</u></b>	<u>(375,000)</u>
	\$ <b><u>-</u></b>	\$ <u>-</u>

**5. Leases**

The Corporation has entered into various leases for office space, warehouse space, and office equipment. A lease agreement for office space for an initial 11 year term ending in November 2033 and has a related right-of-use lease asset valued at \$3,051,351 with accumulated amortization of \$467,697 as of June 30, 2024. A lease agreement for warehouse space for an initial 5 year term ending in January 2027 and has a related right-of-use asset valued at \$327,094 with accumulated amortization of \$164,039 as of June 30, 2024. A lease agreement for office equipment for an initial 5 year term ending in July 2025 has a related right-of-use asset valued at \$36,126 with accumulated amortization of \$26,542 as of June 30, 2024.

The following is a schedule of future minimum lease payments under lease agreements:

<b>For the year ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total payments</b>
2025	\$ 284,688	\$ 123,518	\$ 408,206
2026	297,545	110,751	408,296
2027	288,026	97,309	385,335
2028	264,815	85,428	350,243
2029	283,908	73,368	357,276
2030-2034	<u>1,507,993</u>	<u>156,714</u>	<u>1,664,707</u>
	<b><u>\$ 2,926,975</u></b>	<b><u>\$ 647,088</u></b>	<b><u>\$ 3,574,063</u></b>

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**6. Information Technology Subscriptions**

The Corporation has entered into various subscription based information technology agreements (SBITAs). A SBITA for data security software for a 3 year term ending in June 2025 has a related right-of-use SBITA asset valued at \$25,199 with accumulated amortization of \$16,800 as of June 30, 2024. A SBITA for Google enterprise licenses for a 3 year term ending in November 2025 has a related right-of-use SBITA asset valued at \$83,230 with accumulated amortization of \$46,239 as of June 30, 2024. A SBITA for Google enterprise licenses for a 2 year term ending in November 2025 has a related right-of-use SBITA asset valued at \$31,233 with accumulated amortization of \$10,411 as of June 30, 2024. A SBITA for website licensing for a 4 year term ending in December 2026 was modified to a 2.5 year term ending in June 2025 and has a related right-of-use SBITA asset valued at \$336,897 with accumulated amortization of \$198,839 as of June 30, 2024. A SBITA for event registration management software for a 5 year term ending in January 2027 has a related right-of-use SBITA asset valued at \$155,907 with accumulated amortization of \$68,032 as of June 30, 2024. A SBITA for cloud storage management software for a 3 year term ending in June 2027 has a related right-of-use SBITA asset valued at \$120,101 with accumulated amortization of \$3,336 as of June 30, 2024.

The following is a schedule of future minimum lease payments required under the information technology subscription agreements:

<b>For the year ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total payments</b>
2025	\$ 273,145	\$ 12,117	\$ 285,262
2026	<u>82,007</u>	<u>3,046</u>	<u>85,052</u>
	<u>\$ 355,152</u>	<u>\$ 15,163</u>	<u>\$ 370,314</u>

**7. Contributed Promotional Value**

As part of its statutory purpose, the Corporation assists interested parties in organizing Florida promotional packages. In return for their assistance, the Corporation and other participants receive complimentary advertising in the various print, television, internet, and radio media used in promotional package. The media equivalency value associated with the complimentary advertising qualifies under Florida Statutes toward the Corporation's matching requirements discussed in Note 8; however, as a gift in kind, such contributed promotional value is not recognized for financial statement purposes. For the years ended June 30, 2024 and 2023, the total media equivalency value used to satisfy the Corporation's matching requirements was \$102,165,506 and \$83,334,895, respectively.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**8. Partnership Agreement and Other State and Federal Funding**

The Corporation receives annual appropriations from the State of Florida through an operating agreement with the Florida Department of Commerce (DOC). Under the terms of the operating agreement, the Corporation was required to maintain a one-to-one match of private to public contributions for the fiscal years ended June 30, 2024 and 2023.

For the year ended June 30, 2024, the Corporation received \$1,000,000 from the Florida Department of Business and Professional Regulation (DBPR) to be used in conjunction with the Florida Restaurant and Lodging Association (FRLA) on the In-State Tourism Marketing Campaign Appropriations Project (the Project). Under the terms of the operating agreement with FRLA, FRLA was required to maintain a one-to-one match of private to public contributions for the fiscal year ended June 30, 2024.

During the year ended June 30, 2022, the Corporation received a \$14,851,410 grant from the U.S. Department of Commerce, Economic Development Administration, for another marketing campaign pursuant to the American Rescue Plan Act (ARPA). There was no match requirement associated with this award. During the years ended June 30, 2024 and 2023, the Corporation expended \$2,405,097 and \$12,446,313, respectively, under this award.

For the year ended June 30, 2022, the State of Florida appropriated \$25,000,000 from the general revenue fund to the Department of Economic Opportunity (DEO) to contract with the Corporation to conduct activities that support and fund Florida's tourism industry and its recovery from COVID-19. These funds originated from the ARPA. There was no match requirement from the federal government associated with this award, however, the Corporation is required to provide a one-to-one match of these funds, as is required of the Corporation for all state appropriations. During the years ended June 30, 2024 and 2023, the Corporation expended \$0 and \$4,564,908, respectively, under this award.

The following table represents the funding received from the State of Florida for the fiscal years ended June 30:

	<u>2024</u>	<u>2023</u>
Tourism Promotional Trust Fund	\$ 24,000,000	\$ 24,000,000
State of Florida General Fund	29,999,679	-
State Economic Enhancement and Development Trust Fund	26,000,000	26,000,000
Hotel and Restaurant Trust Fund	<u>1,000,000</u>	<u>-</u>
Total	<u>80,999,679</u>	50,000,000
State pass-through federal funds		-
General Fund	<u>-</u>	<u>4,564,908</u>
Total	<u>\$ 80,999,679</u>	<u>\$ 54,564,908</u>

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**8. Partnership Agreement and Other State and Federal Funding (continued)**

Total private contributions were \$124,707,813 and \$102,974,307 for the years ended June 30, 2024 and 2023, respectively, which include interest income and contributed promotional value revenue disclosed in Note 7. Pursuant to Section 288, Florida Statutes, the total amount of private contributions reported for the match requirement were \$121,603,296 and \$97,358,689 for the years ended June 30, 2024 and 2023. Contributions from a government entity or from an entity that received more than 50 percent of its revenue in the previous fiscal year from public sources, including revenue derived from taxes, other than taxes collected pursuant to s. 125.0104, from fees, or from other government revenues, are not considered private contributions for purposes of calculating the required one-to-one match. As a result, the total matching funds reported are less than the total recorded on the financial statements.

**9. Employee Retirement Plan**

The Corporation has a defined contribution 401(k) retirement plan (the Plan) that covers all employees with the exception of employees covered by a collective bargaining agreement, nonresident aliens, leased employees, and part time or seasonal employees. Eligible employees may become participants on their date of hire or on the first day coinciding with or following the attainment of their twenty-first birthday, if later. Participants are immediately vested in their contributions plus actual earnings thereon.

The Plan is a safe harbor 401(k) plan. Under safe harbor provisions, the Corporation contributes 100% of the first 6% of compensation that a participant contributes to the Plan. Safe harbor matching contributions are immediately 100% vested. Discretionary nonelective contributions are vested using a five-year grade schedule.

Contributions to the Plan for the years ended June 30, 2024 and 2023 were \$403,815 and \$311,095, respectively, and are included in salaries and benefits expenses reported on the statement of revenues, expenses, and changes in net position.

**10. Other Postemployment Benefits**

*Plan Description*

The Corporation administers a single-employer defined-benefit health-related benefit plan (the Retiree Health Plan). The plan provides health-related benefits for eligible retirees and their dependents after the attainment of age 60 through the Corporation's group medical/prescription insurance and dental plans, which cover both active and retired members, until the retirees are eligible for Medicare benefits on their 65th birthday.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**10. Other Postemployment Benefits (continued)**

These benefits were established and may be amended by the Corporation's Board of Directors. During the fiscal year ended June 30, 2009, the Board amended the plan to provide these benefits only to employees hired on or before December 31, 2008, and the plan is closed to new entrants. The Retiree Health Plan does not issue a publicly available financial report.

*Funding Policy*

The Corporation's other postemployment benefits are unfunded. The Corporation pays 100% of the cost of the retiree and 89% of the cost for any spouse coverage. This policy was established and may be amended by the Corporation's Board of Directors.

*Total OPEB Liability and OPEB Expense*

The Corporation has elected to calculate the total OPEB liability and related information using the Alternative Measurement Method (AMM) permitted by GASB Statement No. 75 for employers in plans with fewer than one hundred total plan members. The measurement date of the OPEB liability is June 30, 2023. Management is unaware of any changes between the measurement date of the OPEB liability and the Corporation's reporting date of June 30, 2024, that are expected to have a significant effect on the total OPEB liability. The OPEB liability is included in accrued expenses on the statement of fund net position.

The following table shows the changes in the Corporation's total OPEB liability to the Retiree Health Plan for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Service cost	\$ 5,794	\$ 8,322
Interest on total OPEB liability	5,677	3,287
Difference between expected and actual experience	(33,726)	-
Changes of assumptions and other inputs	12,118	(13,995)
	-	-
Benefit payments	<u>(6,399)</u>	<u>(18,466)</u>
Net change in total OPEB liability	(16,536)	(20,852)
Total OPEB liability at beginning of year	<u>151,249</u>	<u>172,101</u>
Total OPEB liability at end of year	<u>\$ 134,713</u>	<u>\$ 151,249</u>

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**10. Other Postemployment Benefits (continued)**

OPEB (income) expense consists of the following:

	<b>2024</b>	<b>2023</b>
Service cost	\$ 5,794	\$ 8,322
Interest on total OPEB liability	5,677	3,287
Difference between expected and actual experience	(33,726)	-
Changes of assumptions and other inputs	12,118	(13,995)
	-	-
Benefit payments	(6,399)	(18,466)
Total OPEB income	\$ (16,536)	\$ (20,852)

*Recognition of Deferred Outflows and Inflows of Resources*

Differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, the average of the expected remaining service lives for purposes of recognizing the applicable combined deferred outflows and inflows of resources established in the current measurement period is 10 years.

*Funded Status and Funding Progress*

As of the measurement date of June 30, 2023, the OPEB liability for benefits, all of which are unfunded, are \$134,713 and \$151,249 for the fiscal years ended June 30, 2024 and 2023, respectively. There are no plan assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The covered payroll (annual payroll of active employees covered by the plan) from the most recently completed actuarial assessment with a measurement date of June 30, 2023, for the fiscal years ended June 30, 2024 and 2023, is \$1,138,972. The ratio of the unfunded total OPEB liability to the covered payroll from the most recently completed actuarial assessment with a measurement date of June 30, 2023, for the fiscal years ended June 30, 2024 and 2023, are 11.83% & 13.28%, respectively. As of June 30, 2024, there were 14 total active employees covered by the plan.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**10. Other Postemployment Benefits (continued)**

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Retiree Health Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

*Actuarial Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each AMM calculation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. As authorized by GASB Statement No. 75, the Alternative Measurement Method allows the employer to use simplifications of certain assumptions in measuring the costs and liabilities.

The entry age actuarial normal cost method with an increasing normal cost pattern consistent with salary increase assumptions was used. The actuarial assumptions included a 3.86% discount rate and a 2.50% inflation rate for the measurement date of June 30, 2023. The discount rate is equal to the tax-exempt municipal bond rate based on Fidelity's "20-Year Municipal GO AA Index" closest to but not later than the measurement date of June 30, 2023.

The unfunded total OPEB liability is amortized as a level percentage of projected payroll on a closed basis. Projected healthcare cost trend rates, accounting for inflation, are 8.00% and 6.25%, for 2024 and 2025, respectively, which are expected to gradually decrease to an ultimate trend rate of 4.00%. Life expectancies were based on PUB-2010 Headcount Weighted General Below Median Healthy mortality tables.

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Financial Statements

**10. Other Postemployment Benefits (continued)**

*Sensitivity Analysis*

The following tables demonstrate the sensitivity of the total OPEB liability to changes in the health cost trend rate and discount rate. The sensitivity analysis shows the impact on the total OPEB liability if the health cost trend rate and discount rate were 1.00% higher or 1.00% lower than the current rates at the measurement date of June 30, 2023.

Discount Rate			Healthcare Cost Trend Rate		
Current Discount Rate			Current Healthcare Cost Trend Rate		
1% Decrease	3.86%	1% Increase	1% Decrease	8.00%	1% Increase
\$ 143,875	\$ 134,713	\$ 124,931	\$ 120,165	\$ 134,713	\$ 151,238

**11. Related Parties**

The Corporation routinely enters into transactions within the ordinary course of business with entities that board members are affiliated with or employed by.

## Other Required Supplementary Information

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios

Years ended June 30,

For the measurement years ended	2023	2022	2021	2020	2019	2018	2017
Service cost	\$ 5,794	\$ 8,322	\$ 8,827	\$ 7,273	\$ 19,254	\$ 18,460	\$ 20,997
Interest on total OPEB Liability	5,677	3,287	4,896	6,729	13,652	14,387	12,795
Difference between expected and actual experience	(33,726)	-	(12,956)	-	(120,310)	-	-
Changes of assumptions and other inputs	12,118	(13,995)	(1,103)	5,250	(13,490)	(1,150)	(10,911)
Benefit payments	(6,399)	(18,466)	(37,129)	(34,816)	(63,709)	(55,257)	(53,518)
Net change in total OPEB liability	(16,536)	(20,852)	(37,465)	(15,564)	(164,603)	(23,560)	(30,637)
Total OPEB liability at beginning of year	151,249	172,101	209,566	225,130	389,733	413,293	443,930
Total OPEB liability at end of year	\$ 134,713	\$ 151,249	\$ 172,101	\$ 209,566	\$ 225,130	\$ 389,733	\$ 413,293
Estimated covered-employee payroll	\$ 1,138,972	\$ 1,138,972	\$ 1,131,418	\$ 1,131,418	\$ 1,184,179	\$ 2,426,108	\$ 2,355,445
Total OPEB liability as a percentage of covered-employee payroll	11.83%	13.28%	15.21%	18.52%	19.01%	16.06%	17.55%

Fiscal year 2018 was the first year of implementation of GASB Statement No. 75; additional years' information will be included as it becomes available in future years.

*See report of independent auditors.*

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Notes to Schedule of Changes in Total Other Post-Employment Benefits Liability  
and Related Ratios

Year ended June 30, 2024

Valuation date:	June 30, 2023
Measurement date:	June 30, 2023
Roll forward procedures:	Since the measurement date and the valuation date are the same, no update procedures were used to roll forward the total OPEB liability from the June 30, 2023 valuation date to the June 30, 2023 measurement date.

**Methods and Assumptions Used to Determine Total OPEB Liability:**

Actuarial cost method	Entry Age Normal
Inflation	2.50%
Discount rate	3.86%
Salary increases	5.00%
Retirement age	Varies based on several factors including plan-specific retirement eligibility provisions and experience.
Mortality	Mortality tables used in the July 1, 2023 actuarial valuation of the Florida Retirement System for non-K-12 Instructional Regular Class members. These rates were taken from adjusted PUB-2010 mortality tables published by the Society of Actuaries with generational improvements using Scale MP-2018. Adjustments to referenced tables are based on the results of a statewide experience study covering the period 2013 through 2018.
Healthcare cost trend rates	8.0% for 2024, 6.25% for 2025, and then gradually decreasing to an ultimate trend rate of 4.00%.

**Other Information:**

Changes in assumptions and other inputs include the change in the discount rate from 3.69% as of June 30, 2022 to 3.86% as of June 30, 2023, updated premiums based on information provided, updated healthcare cost trend rates, and updated mortality rates to those used for non-K-12 Instructional Regular Class members in the July 1, 2023 Florida Retirement System (FRS) valuation.

There were no benefit changes during the year.

*See report of independent auditors.*

## Supplementary and Other Information

Report of Independent Auditors 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  
Florida Tourism Industry Marketing  
Corporation, Inc. d/b/a VISIT FLORIDA

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 (*Government Auditing Standards*), the financial statements of the Florida Tourism Industry Marketing Corporation, Inc. d/b/a VISIT FLORIDA (the Corporation), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated September 25, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Corporation'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 Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 or significant deficiencies may exist that were not identified.

Page Two

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation'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.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
September 25, 2024

Report of Independent Auditors on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*

Board of Directors  
Florida Tourism Industry Marketing  
Corporation, Inc. d/b/a VISIT FLORIDA

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited the Florida Tourism Industry Marketing Corporation, Inc. d/b/a VISIT FLORIDA's (the Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Florida Department of Financial Service's *State Projects Compliance Supplement*, that could have a direct and material effect on each of the Corporation's major federal program and state project for the year ended June 30, 2024. The Corporation's major federal program and state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal program and state project for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program and State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Corporation's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Corporation's federal program and state projects.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Corporation's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

Page Three

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 and state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 and 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 federal program and 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
September 25, 2024

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Schedule of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2024

<u>Grantor and Program Title</u>	<u>CFDA or CSFA Number</u>	<u>Grant Contract Number</u>	<u>Total Expenditures</u>
<b>Federal Awards</b>			
<b><u>United States Department of Commerce Economic Development Administration</u></b>			
Economic Adjustment Program, ARPA	11.307	04-79-07690	\$ 2,405,097
<b>Total Expenditures of Federal Awards</b>			<u>\$ 2,405,097</u>
<b>State Financial Assistance</b>			
<b><u>Florida Department of Commerce</u></b>			
Economic Development Partnerships	40.040	SB24-003	\$ 79,999,679
<b><u>Florida Department of Business &amp; Professional Regulation</u></b>			
Hotel and Restaurant Trust Fund	79.010	N/A	\$ 1,000,000
<b>Total Expenditures of State Financial Assistance</b>			<u>\$ 80,999,679</u>
<b>Total Awards</b>			<u>\$ 83,404,776</u>

**Note 1** - This Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal and State grant activity of the Florida Tourism Industry Marketing Corporation, Inc. d/b/a VISIT FLORIDA (the Corporation) for the year ended June 30, 2024, and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, *Rules of the Auditor General*.

**Note 2** - Amounts included on this Schedule include only the expenditures of Federal Awards and State Financial Assistance received directly from an awarding agency. The amounts on the accompanying Statements of Revenues, Expenses, and Changes in Fund Net Position (and related notes) include additional expenditures associated with other resources committed by the Corporation for purposes of fulfilling its primary grant program.

**Note 3** - The Corporation has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance for federal awards.

**Note 4** - There were no federal awards or state financial assistance passed through to subrecipients.

*See report of independent auditors.*

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Schedule of Findings and Questioned Costs Relating to Federal Awards and State Financial Assistance

Year ended June 30, 2024

**Section I -- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

**Federal Awards and State Projects**

Internal control over major State projects:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major federal programs or state projects?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2, <i>Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance) or Chapter 10.650, <i>Rules of the Auditor General</i> , State of Florida?	No

Identification of major programs:

**Federal Program**

<u>CFDA Number</u>	<u>Name of federal program</u>
11.307	Economic Adjustment Program, ARPA

**State Project**

<u>CSFA Number</u>	<u>Name of state project</u>
40.040	Economic Development Partnerships

Dollar threshold used to distinguish between Type A and Type B federal programs:	\$ 750,000
Dollar threshold used to distinguish between Type A and Type B state projects:	\$ 2,429,990
Auditee qualified as low-risk auditee pursuant to Uniform Guidance?	Yes

*(continued)*

*See report of independent auditors.*

Florida Tourism Industry Marketing Corporation, Inc.  
d/b/a VISIT FLORIDA

Schedule of Findings and Questioned Costs Relating to Federal Awards and State Financial Assistance (Continued)

Year ended June 30, 2024

**Section II -- Financial Statement Findings**

We noted no matters involving internal control over financial reporting and its operating that we considered to be material weaknesses, significant deficiencies, and/ or control deficiencies required to be reported in accordance with *Government Auditing Standards* .

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

Federal Awards - We noted no matters involving noncompliance that are required to be reported in accordance with 2 CFR 200.516(a).

State Financial Assistance Awards - We noted no matters involving noncompliance that are required to be reported in accordance with *Rules of the Auditor General* of the State of Florida, Chapter 10.656.

**Section IV -- Other Matters**

No prior findings.

*See report of independent auditors.*