

Financial Statements
and Supplementary Information

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

*Years ended June 30, 2025 and 2024
with Report of Independent Auditors*



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d/b/a VISIT FLORIDA

Financial Statements
and Supplementary Information

Years ended June 30, 2025 and 2024

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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, 2025 and 2024, 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, 2025 and 2024, 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.
- 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 state financial assistance, as required by Chapter 10.650, *Rules of the Auditor General*, and the schedule of findings and questioned costs relating to 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 state financial assistance and the schedule of findings and questioned costs relating to state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole.



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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2025 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 16, 2025

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, 2025 and June 30, 2024.

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 Florida Department of Commerce (Commerce) following the 2023 legislative session. As of the 2023-2024 fiscal year, VISIT FLORIDA is a direct-support organization of Commerce.

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 match¹. As a result, the total matching funds reported to Commerce 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.

¹ Chapter 288.1226 (6) (b) 4., F.S.

- The Promotions department develops and executes promotional campaigns in cooperation with a variety of media partners, primarily radio stations.
- 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, France 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, France and the United Kingdom to promote Florida.
- The Visitor Services department operates four highway Welcome Centers (located on the Florida border of I-10, I-75, I-95 and US-231) 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, 2025 compared to June 30, 2024.

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 fund net position (balance sheet), the statement of revenues, expenses, and changes in fund net position (income statement), the statement of cash flows, and the notes to the financial statements. Because the operating activity of the Corporation focuses exclusively on its statutory responsibilities, the financial statements are presented in a singular fund format. Significant transactions and operational issues reflected in the June 30, 2025 (fiscal year 2025) and June 30, 2024 (fiscal year 2024) financial statements are discussed in the paragraphs below.

Statement of Revenue, Expenses, and Changes in Fund 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 2025 and 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. Both fiscal years required expenditures of \$1,000,000 to be spent on veterans marketing and research and \$5,000,000 to be spent on marketing for nature-based tourism and trail towns.

VISIT FLORIDA spent the remaining funding received from the American Rescue Plan Act (ARPA) in fiscal year 2024 and was awarded a three-year grant from Triumph Gulf Coast, Inc. in April 2024.

- The Governor’s Office awarded the ARPA funds totaling \$14,851,410 to VISIT FLORIDA January 2022 and did not require a match from VISIT FLORIDA. The funds were allotted to support travel, tourism and outdoor recreation sectors and were 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 expenses of \$6,400,278 during fiscal year 2025 and \$169,074 during fiscal year 2024.

For both fiscal years, 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 \$1,720,376 in fiscal year 2025 and \$1,755,000 during fiscal year 2024.

Hurricanes affected Florida during fiscal years 2024 and 2025.

- 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.
- On November 15, 2024, the VISIT FLORIDA Executive Committee approved a Crisis Marketing Plan and its related budget to address the recovery from Hurricanes Helene and Milton. The recovery plan was a three-phase approach. The first phase promoted a "Sun is Shining" message as well as promoting the unimpacted areas with time stamped creative. The second phase supported those areas affected by the hurricanes when they were ready for visitors. The third phase had dedicated efforts specifically to support the most impacted counties, which were Sarasota, Pinellas, Manatee, Taylor, Dixie and Levy. The total hurricane recovery expenditures were \$6,651,587, which includes \$1,100,000 in cooperative participation from the most impacted counties.

During fiscal year 2025, the total State appropriation and Triumph grant funding recorded was \$86,202,926 with \$85,245,278 spent to market travel to the state and \$957,648 towards marketing the state of Florida to veterans. 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.

In fiscal year 2025, the Florida tourism industry generated \$5,149,749 in cooperative advertising revenue and the related direct advertising expense was \$73,981,178. This resulted in a total expenditure for advertising of \$79,130,927 during the fiscal year. 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 in fiscal year 2024. Total advertising expenditures increased \$530,216 primarily as a result of an increase in cooperative advertising revenue.

Trade show and event revenue of \$2,419,647 for fiscal year 2025 and \$2,483,271 for fiscal year 2024 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 \$63,624 decrease resulted from reduced event participation.

Partnership investment revenue results from the dollars received by the VISIT FLORIDA industry Partners. Investments of \$1,767,987 were made by 1,528 investing Partners in fiscal year 2025 and \$1,862,587 were made by 1,556 investing Partners in fiscal year 2024.

Other operating revenue of \$10,279,203 for fiscal year 2025 and \$13,087,324 for fiscal year 2024 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 decrease of \$2,808,121 is primarily due to a reduction in revenue generated from partner participation related to co-op programs.

Contributed promotional value of \$116,807,530 for fiscal year 2025 and \$102,165,506 for fiscal year 2024 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.

Salaries and benefits for fiscal year 2025 were \$9,863,437 and for fiscal year 2024 were \$9,361,138. The corporation had 97 total positions at the end of fiscal year 2025, with 7 of them being open.

Fees and services of \$6,563,733 for fiscal year 2025 and \$6,396,880 for fiscal year 2024 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 related to the Triumph grant, services for the website, and other information technology services. The increase of \$166,853 is due to contracted services related to the Triumph grant offset by reduced expenses on PR, trade and other marketing events and services.

Fulfillment expenses of \$287,609 for fiscal year 2025 and \$249,095 for fiscal year 2024 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 \$1,543,724 for fiscal year 2025 and \$1,917,550 for fiscal year 2024 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 \$373,826 decrease is due to a shift in research priorities from the prior year.

The private funds received by VISIT FLORIDA to count toward the match with the State dollars totaled \$137,198,201 for the fiscal year 2025 and \$124,707,813 for the fiscal year 2024. These amounts include the contributed promotional value and interest income with the increase for 2025 due mainly to an increase in contributed promotional value 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 \$132,542,221.

Statement of Fund Net Position

The cash balance for fiscal year 2025 was \$28,230,414, which includes the restricted Economic Risk Fund of \$2,164,855. The cash balance for fiscal year 2024 was \$19,980,512, which includes the restricted Economic Risk Fund of \$2,164,855.

The accounts receivable balance of \$20,684,618 for fiscal year 2025 primarily consists of \$12,457,648 for the 4th quarter payment from Commerce and \$5,245,278 for the Triumph grant reimbursement and the remainder is primarily for co-op advertising billings. Accounts receivable of \$20,640,934 for fiscal year 2024 consists of \$15,999,679 for the 4th quarter payment from Commerce and \$886,912 for Federal ARPA reimbursement and the remainder is primarily for co-op advertising billings. Prepaid expenses of \$1,388,709 for fiscal year 2025 and \$1,473,029 for fiscal year 2024 consisted of expenditures made in advance of scheduled events.

As of June 30, 2025, and 2024, VISIT FLORIDA had invested, net of accumulated depreciation and amortization, \$484,612 and \$242,272, 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 4 of the financial statements.

As of June 30, 2025, the right-of-use lease and subscription assets recorded, net of accumulated amortization, are \$3,109,507 and the current lease and subscription liabilities are \$625,775 and \$2,602,467 for the noncurrent lease and subscription liabilities. The right-of-use lease and subscription assets recorded, net of accumulated amortization as of June 30, 2024, are \$3,165,204 and the current lease and subscription liabilities are \$572,538 and \$2,724,294 for the noncurrent lease and subscription liabilities.

See Notes 6 and 7 of the financial statements for a more detailed schedule about VISIT FLORIDA’s lease and subscription assets.

Accounts payable of \$4,857,589 for fiscal year 2025 and \$557,504 for fiscal year 2024 were for invoices received and not yet due for payment. Accrued expenses of \$28,598,928 for fiscal year 2025 and \$23,822,369 for fiscal year 2024 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 \$878,781 for fiscal year 2025 and \$1,838,368 for fiscal year 2024.

VISIT FLORIDA recorded an increase in net position of \$334,549 for fiscal year 2025 and \$930,452 for the fiscal year 2024, some of which was used for capital outlay.

	Fiscal Year 2024-2025	Fiscal Year 2023-2024	Year over Year Variance
Total Assets			
Capital and Right-of-use Assets	\$ 3,712,854	\$ 3,524,399	\$ 188,455
Non-capital Assets	50,303,741	42,094,475	8,209,266
	<u>\$ 54,016,595</u>	<u>\$ 45,618,874</u>	<u>\$ 8,397,721</u>
Total Liabilities	\$ 37,563,540	\$ 29,500,368	\$ 8,063,172
Total Net Position			
Net Investment in capital assets	484,612	242,272	242,340
Restricted for economic risk	2,164,855	2,164,855	-
Unrestricted	13,803,588	13,711,379	92,209
	<u>\$ 16,453,055</u>	<u>\$ 16,118,506</u>	<u>\$ 334,549</u>
Total Revenues*	\$ 106,593,597	\$ 105,947,083	\$ 646,514
Total Expenses*	\$ 106,259,048	\$ 105,016,631	\$ 1,242,417

**Balances exclude value of Contributed Promotional Value - see Note 8 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, 2026. 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. The FRLA In-State Tourism Marketing Campaign will again be funded via a DBPR appropriation of \$1,000,000.

VISIT FLORIDA will continue to execute a three-year, \$13.5 million regional marketing campaign, which is primarily supported by a \$10.5 million grant from Triumph Gulf Coast, Inc.

Respectfully submitted,

Shanna Pace
Chief Financial Officer

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

Statements of Net Position

	June 30,	
	2025	2024
Assets		
Current assets:		
Cash	\$ 26,065,559	\$ 17,815,657
Accounts receivable, net	20,684,618	20,640,934
Prepaid expenses and other assets	<u>1,388,709</u>	<u>1,473,029</u>
Total current assets	<u>48,138,886</u>	<u>39,929,620</u>
Noncurrent assets:		
Restricted cash	2,164,855	2,164,855
Capital assets, net	<u>3,712,854</u>	<u>3,524,399</u>
Total noncurrent assets	<u>5,877,709</u>	<u>5,689,254</u>
Total assets	<u>\$ 54,016,595</u>	<u>\$ 45,618,874</u>
Liabilities		
Current liabilities:		
Accounts payable	\$ 4,857,589	\$ 557,504
Accrued expenses	28,598,928	23,822,369
Unearned revenue	878,781	1,838,368
Lease liabilities, current	296,795	284,688
Subscription liabilities, current	<u>328,980</u>	<u>273,145</u>
Total current liabilities	<u>34,961,073</u>	<u>26,776,074</u>
Noncurrent liabilities:		
Lease liabilities, noncurrent	2,344,742	2,642,287
Subscription liabilities, noncurrent	<u>257,725</u>	<u>82,007</u>
Total liabilities	<u>37,563,540</u>	<u>29,500,368</u>
Net position:		
Net investment in capital assets	484,612	242,272
Restricted for economic risk	2,164,855	2,164,855
Unrestricted	<u>13,803,588</u>	<u>13,711,379</u>
Total net position	<u>16,453,055</u>	<u>16,118,506</u>
Total liabilities and net position	<u>\$ 54,016,595</u>	<u>\$ 45,618,874</u>

See accompanying notes.

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

Statements of Revenues, Expenses, and Changes in Net Position

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Program support:		
Cooperative advertising	\$ 5,149,749	\$ 4,920,043
Trade show and events	2,419,647	2,483,271
Partnership investment	1,767,987	1,862,587
Other	10,279,203	13,087,324
Contributed promotional value (Note 8)	-	-
State of Florida grants and direct appropriations	80,957,648	80,999,679
Grants from others	5,245,278	-
Federal and federal pass-through grants	-	2,405,097
Total operating revenues	<u>106,396,486</u>	<u>105,758,001</u>
Expenses:		
Advertising	73,981,178	73,680,668
Business promotion	907,605	1,104,721
Citrus juice	222,000	169,924
Cooperative advertising	5,149,749	4,920,043
Depreciation and amortization	988,622	725,735
Fees and services	6,563,733	6,396,880
Fulfillment	287,609	249,095
General and administrative	1,446,881	1,360,731
Insurance premiums - hurricane recovery	247,844	213,500
Interest expense	148,957	129,302
Printing	115,972	208,333
Rents	72,767	70,145
Salaries and benefits	9,863,437	9,361,138
Research	1,543,724	1,917,550
Trade show and event direct	2,146,900	2,212,170
Travel	1,995,096	2,296,696
Total expenses	<u>106,259,048</u>	<u>105,016,631</u>
Operating income	<u>137,438</u>	<u>741,370</u>
Nonoperating revenue:		
Interest income	<u>197,111</u>	<u>189,082</u>
Increase in net position	334,549	930,452
Net position at beginning of year	<u>16,118,506</u>	<u>15,188,054</u>
Net position at end of year	<u>\$ 16,453,055</u>	<u>\$ 16,118,506</u>

See accompanying notes.

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

Statements of Cash Flows

	Years ended June 30,	
	2025	2024
Operating activities		
Cash received from program services	\$ 19,536,113	\$ 21,796,816
Cash received from operating grants	85,811,873	84,803,128
Cash payments to suppliers for goods and services	(86,231,637)	(88,761,645)
Cash payments to employees	<u>(9,832,596)</u>	<u>(9,316,050)</u>
Net cash provided by operating activities	<u>9,283,753</u>	<u>8,522,249</u>
Investing activities		
Interest income received	<u>197,111</u>	<u>189,082</u>
Net cash provided by investing activities	<u>197,111</u>	<u>189,082</u>
Capital and related financing activities		
Purchase of capital assets	(380,470)	-
Lease payments	(283,228)	(309,435)
Information technology subscriptions payments	<u>(567,264)</u>	<u>(265,616)</u>
Net cash used in capital and related financing activities	<u>(1,230,962)</u>	<u>(575,051)</u>
Net increase in cash and restricted cash	8,249,902	8,136,280
Cash and restricted cash at beginning of year	<u>19,980,512</u>	<u>11,844,232</u>
Cash and restricted cash at end of year	<u>\$ 28,230,414</u>	<u>\$ 19,980,512</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 137,438	\$ 741,370
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	988,622	725,735
Changes in operating assets and liabilities:		
Accounts receivable	(43,684)	(312,493)
Prepaid expenses and other assets	84,320	(520,527)
Accounts payable	4,300,085	457,227
Accrued expenses	4,776,559	6,719,210
Unearned restricted revenue	<u>(959,587)</u>	<u>711,727</u>
Net cash provided by operating activities	<u>\$ 9,283,753</u>	<u>\$ 8,522,249</u>

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

Statements of Cash Flows (continued)

	Years ended June 30,	
	2025	2024
Cash and restricted cash consists of:		
Cash	\$ 26,065,559	\$ 17,815,657
Restricted cash	<u>2,164,855</u>	<u>2,164,855</u>
	<u>\$ 28,230,414</u>	<u>\$ 19,980,512</u>
Other supplemental disclosures of noncash transactions:		
Information technology subscription right-of-use assets acquired	\$ 798,816	\$ 151,334
Information technology subscription right-of-use liabilities acquired	(798,816)	(151,334)

See accompanying notes.

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

Notes to Financial Statements

Years ended June 30, 2025 and 2024

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 five 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 four 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, France 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 \$28,230,414 and \$19,980,512 at June 30, 2025 and 2024, respectively. Restricted cash represents a noncurrent amount designated for economic risk by the State of Florida at June 30, 2025.

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 9. This amount is reported net of the Corporation's allowance for doubtful accounts of \$7,225 and \$4,200 at June 30, 2025 and 2024, 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.

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.

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

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

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 6 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 7 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 9.

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 16, 2025, the date the financial statements were available to be issued. During the period from June 30, 2025 to September 16, 2025, 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.

2. Custodial Credit Risk

Custodial credit risk-deposits - In the case of deposits, this is the risk that in the event of a bank failure, the Corporation's deposits may not be returned. As of June 30, 2025, the account is insured in full under Florida Statute Chapter 280, Florida Security for Public Deposits.

3. 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, 2025. 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, 2021 and prior.

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

Notes to Financial Statements

4. Capital and Right-of-Use Assets, Net

Capital and right-of-use assets, net, consisted of the following at June 30, 2025:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balances</u>
Furniture	\$ 266,090	\$ -	\$ (8,371)	\$ 257,719
Equipment and software	1,678,553	380,470	(109,356)	1,949,667
Construction in progress	-	-	-	-
Leasehold improvements	388,660	-	(28,893)	359,767
Leases, right-of-use assets, office space	3,378,445	-	-	3,378,445
Leases, right-of-use assets, equipment	36,126	-	(36,126)	-
Information technology subscriptions, right-of-use assets	<u>752,567</u>	<u>798,816</u>	<u>(362,096)</u>	<u>1,189,287</u>
	6,500,441	1,179,286	(544,842)	7,134,885
Accumulated depreciation and amortization	<u>(2,976,042)</u>	<u>(592,609)</u>	<u>146,620</u>	<u>(3,422,031)</u>
	<u>\$ 3,524,399</u>	<u>\$ 586,677</u>	<u>\$ (398,222)</u>	<u>\$ 3,712,854</u>

Property and equipment, 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>

Depreciation and amortization expense related to capital and right-of-use assets totaled \$988,622 and \$725,735 for the years ended June 30, 2025 and 2024, respectively.

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

Notes to Financial Statements

5. 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.

Intangible assets consisted of the following at June 30:

	2025	2024
Business name, trademarks, and web presence	<u>\$ 375,000</u>	<u>\$ 375,000</u>
	375,000	375,000
Accumulated amortization	<u>(375,000)</u>	<u>(375,000)</u>
	<u>\$ -</u>	<u>\$ -</u>

6. Leases

The Corporation has entered into various leases for office space and warehouse space. 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 \$742,067 as of June 30, 2025. 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 \$327,096 with accumulated amortization of \$227,158 as of June 30, 2025.

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

For the year ended June 30,	Principal	Interest	Total payments
2026	\$ 296,795	\$ 110,751	\$ 407,546
2027	288,026	97,309	385,335
2028	264,815	85,428	350,243
2029	283,908	73,368	357,276
2030	304,003	60,445	364,448
2030-2035	<u>1,203,990</u>	<u>96,268</u>	<u>1,300,258</u>
	<u>\$ 2,641,537</u>	<u>\$ 523,569</u>	<u>\$ 3,165,106</u>

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

Notes to Financial Statements

7. Information Technology Subscriptions

The Corporation has entered into various subscription based information technology agreements (SBITAs). A SBITA for accounting software for a 3 year term ending in September 2027 has a related right-of-use SBITA asset valued at \$74,859 with accumulated amortization of \$20,794 as of June 30, 2025. 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 \$73,982 as of June 30, 2025. 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 \$26,028 as of June 30, 2025. A SBITA for data security software for a 3 year term ending in July 2027 has a related right-of-use SBITA asset valued at \$29,471 with accumulated amortization of \$9,005 as of June 30, 2025. 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 \$102,048 as of June 30, 2025. 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 \$43,370 as of June 30, 2025. A SBITA for customer relationship management software for a 3 year term ending in July 2027 has a related right-of-use SBITA asset valued at \$637,903 with accumulated amortization of \$194,915 as of June 30, 2025. A SBITA for cloud marketing software for a 3 year term ending in June 2027 has a related right-of-use SBITA asset valued at \$56,283 with accumulated amortization of \$18,861 as of June 30, 2025.

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

For the year ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total payments</u>
2026	\$ 328,980	\$ 22,367	\$ 351,347
2027	<u>257,725</u>	<u>9,865</u>	<u>267,590</u>
	<u>\$ 586,705</u>	<u>\$ 32,232</u>	<u>\$ 618,937</u>

8. 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 9; however, as a gift in kind, such contributed promotional value is not recognized for financial statement purposes. For the years ended June 30, 2025 and 2024, the total media equivalency value used to satisfy the Corporation's matching requirements was \$116,807,530 and \$102,165,506, respectively.

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

Notes to Financial Statements

9. Partnership Agreement and Other State 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, 2025 and 2024.

For the year ended June 30, 2025, 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, the Corporation was required to maintain a one-to-one match of private to public contributions for the fiscal year ended June 30, 2025.

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

	2025	2024
Tourism Promotional Trust Fund	\$ 24,000,000	\$ 24,000,000
State of Florida General Fund	29,957,648	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>1,000,000</u>
Total	<u><u>80,957,648</u></u>	<u><u>80,999,679</u></u>

Total private contributions were \$136,621,227 and \$124,707,813 for the years ended June 30, 2025 and 2024, respectively, which include interest income and contributed promotional value revenue disclosed in Note 8. Pursuant to Section 288, Florida Statutes, the total amount of private contributions reported for the match requirement were \$132,542,221 and \$121,603,296 for the years ended June 30, 2025 and 2024. 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.

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

Notes to Financial Statements

10. 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, 2025 and 2024 were \$392,134 and \$403,815, respectively, and are included in salaries and benefits expenses reported on the statement of revenues, expenses, and changes in net position.

11. 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.

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.

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

Notes to Financial Statements

11. Other Postemployment Benefits (continued)

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, 2024. Management is unaware of any changes between the measurement date of the OPEB liability and the Corporation's reporting date of June 30, 2025, 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 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>2025</u>	<u>2024</u>
Service cost	\$ 4,578	\$ 5,794
Interest on total OPEB liability	5,377	5,677
Difference between expected and actual experience	-	(33,726)
Changes of assumptions and other inputs	(691)	12,118
Benefit payments	<u>-</u>	<u>(6,399)</u>
Net change in total OPEB liability	9,264	(16,536)
Total OPEB liability at beginning of year	<u>134,713</u>	<u>151,249</u>
Total OPEB liability at end of year	<u>\$ 143,977</u>	<u>\$ 134,713</u>

OPEB (income) expense consists of the following:

	<u>2025</u>	<u>2024</u>
Service cost	\$ 4,578	\$ 5,794
Interest on total OPEB liability	5,377	5,677
Difference between expected and actual experience	-	(33,726)
Changes of assumptions and other inputs	(691)	12,118
Benefit payments	<u>-</u>	<u>(6,399)</u>
Total OPEB income	<u>\$ 9,264</u>	<u>\$ (16,536)</u>

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

Notes to Financial Statements

11. Other Postemployment Benefits (continued)

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, 2024, the OPEB liability for benefits, all of which are unfunded, are \$143,977 and \$134,713 for the fiscal years ended June 30, 2025 and 2024, 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, 2024, for the fiscal years ended June 30, 2025 and 2024, is \$1,203,615 and \$1,138,972, respectively. 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, 2024, for the fiscal years ended June 30, 2025 and 2024, are 11.96% & 11.83%, respectively. As of June 30, 2025, there were 14 total active employees covered by the plan.

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.

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

Notes to Financial Statements

11. Other Postemployment Benefits (continued)

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 3.93% discount rate and a 2.50% inflation rate for the measurement date of June 30, 2024. 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, 2024.

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.

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, 2024.

Discount Rate			Healthcare Cost Trend Rate		
			Current Healthcare Cost Trend Rate		
1% Decrease	Current Discount Rate 3.93%	1% Increase	1% Decrease	8.00%	1% Increase
\$ 153,462	\$ 143,977	\$ 134,053	\$ 128,468	\$ 143,977	\$ 161,657

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

Notes to Financial Statements

12. Commitments and Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the State government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by a grantor cannot be determined at this time although the Corporation expects amounts, if any, to be immaterial.

13. Long Term Obligations

It is the Corporation's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Following is a summary of the changes in long term obligations for the year ending June 30, 2025:

<u>Descriptions</u>	<u>Beginning Balance June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2025</u>
Net pension liability	\$ 134,713	\$ 9,955	\$ (691)	\$ 143,977
Liability for accrued leave	819,197	-	(18,644)	800,553
Lease liabilities	2,926,975	-	(285,438)	2,641,537
SBITA liabilities	<u>355,152</u>	<u>798,816</u>	<u>(567,263)</u>	<u>586,705</u>
Total governmental activity long term obligation	<u>\$ 4,236,037</u>	<u>\$ 808,771</u>	<u>\$ (872,036)</u>	<u>\$ 4,172,772</u>

14. 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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service cost	\$ 4,578	\$ 5,794	\$ 8,322	\$ 8,827	\$ 7,273	\$ 19,254	\$ 18,460	\$ 20,997
Interest on total OPEB Liability	5,377	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	(691)	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	<u>9,264</u>	<u>(16,536)</u>	<u>(20,852)</u>	<u>(37,465)</u>	<u>(15,564)</u>	<u>(164,603)</u>	<u>(23,560)</u>	<u>(30,637)</u>
Total OPEB liability at beginning of year	<u>158,273</u>	<u>174,809</u>	<u>195,661</u>	<u>233,126</u>	<u>248,690</u>	<u>413,293</u>	<u>413,293</u>	<u>443,930</u>
Total OPEB liability at end of year	<u>\$ 167,537</u>	<u>\$ 158,273</u>	<u>\$ 174,809</u>	<u>\$ 195,661</u>	<u>\$ 233,126</u>	<u>\$ 248,690</u>	<u>\$ 389,733</u>	<u>\$ 413,293</u>
Estimated covered-employee payroll	<u>\$ 1,203,615</u>	<u>\$ 1,138,972</u>	<u>\$ 1,138,972</u>	<u>\$ 1,131,418</u>	<u>\$ 1,131,418</u>	<u>\$ 1,184,179</u>	<u>\$ 2,426,108</u>	<u>\$ 2,355,445</u>
Total OPEB liability as a percentage of covered-employee payroll	13.92%	13.90%	15.35%	17.29%	20.60%	21.00%	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, 2025

Valuation date: June 30, 2023

Measurement date: June 30, 2024

Roll forward procedures:

The Total OPEB Liability was rolled forward twelve months from the Valuation Date to the Measurement Date using standard actuarial techniques.

Methods and Assumptions Used to Determine Total OPEB Liability:

Actuarial cost method Entry Age Normal

Inflation 2.50%

Discount rate 3.93%

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 3.86% as the beginning of the measurement period to 3.93% as of June 30, 2024. This change is reflected in the Schedule of Changes in Total OPEB Liability.

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*

Audit Committee
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, 2025, 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 16, 2025.

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 16, 2025



Report of Independent Auditors on Compliance for the State Project and on
Internal Control Over Compliance Required by Chapter 10.650, *Rules of the
Auditor General*

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

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited 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 *Florida Department of Financial Service's State Projects Compliance Supplement* that could have a direct and material effect on the Corporation's state project for the year ended June 30, 2025. The Corporation's major state project is 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 its major state project for the year ended June 30, 2025.

Basis for Opinion on Each 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 Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards 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 the major 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 state project.

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*, 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 the major state projects as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, 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 audit requirements of 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.

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 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 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 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 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 16, 2025

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

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2025

<u>Grantor and Program Title</u>	CFDA or CSFA Number	Grant Contract Number	Total Expenditures
State Financial Assistance			
<u>Florida Department of Commerce</u>			
Economic Development Partnerships	40.040	SB24-003	\$ 79,957,648
<u>Florida Department of Business & Professional Regulation</u>			
Hotel and Restaurant Trust Fund	79.010	N/A	\$ 1,000,000
Total Expenditures of State Financial Assistance			\$ 80,957,648

Note 1 - This Schedule of State Financial Assistance (the Schedule) includes the State grant activity of the Florida Tourism Industry Marketing Corporation, Inc. d/b/a Visit Florida for the year ended June 30, 2025, and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*.

Note 2 - Amounts included on this Schedule include only the expenditures of 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 - There were no 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 State Financial Assistance

Year ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: 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

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 state projects? Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650, *Rules of the Auditor General*, State of Florida? No

Identification of major 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 state projects: \$ 2,429,990

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 – State Financial Assistance Findings and Questioned Costs

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.