

COMBINED FINANCIAL STATEMENTS

**SARASOTA CONVENTION AND  
VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018



C O N T E N T S

	P A G E
Independent Auditor's Report -----	1-2
Combined Statements of Financial Position -----	3
Combined Statements of Activities and Changes in Net Assets -----	4
Combined Statements of Functional Expenses -----	5-6
Combined Statements of Cash Flows-----	7
Notes to Combined Financial Statements -----	8-13



January 16, 2020

Board of Directors  
Sarasota Convention and Visitors Bureau, Inc. and Affiliate  
d/b/a Visit Sarasota County  
Sarasota, Florida

### **Independent Auditor's Report**

We have audited the accompanying combined financial statements of Sarasota Convention and Visitors Bureau, Inc. and Affiliate d/b/a Visit Sarasota County (the Organization), which comprise the combined statements of financial position as of September 30, 2019 and 2018, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Change in Accounting Principle**

As described in Note A to the combined financial statements, Sarasota Convention and Visitors Bureau, Inc. and Affiliate d/b/a Visit Sarasota County adopted Financial Accounting Standards Board ASU No. 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities. Our opinion is not modified with respect to that matter.

*Hill, Barth & King LLC*

Certified Public Accountants

COMBINED STATEMENTS OF FINANCIAL POSITION

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>		
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ 510,118	\$ 497,080
Accounts receivable	242,727	239,912
Due from Sarasota County	557,572	805,350
Prepaid expenses	75,647	41,309
TOTAL CURRENT ASSETS	<u>1,386,064</u>	<u>1,583,651</u>
 <b><u>PROPERTY AND EQUIPMENT - NOTE B</u></b>	 44,565	 50,978
 <b><u>OTHER ASSETS</u></b>		
Deposits	17,091	6,634
TOTAL ASSETS	<u>\$ 1,447,720</u>	<u>\$ 1,641,263</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>CURRENT LIABILITIES</u></b>		
Accounts payable	\$ 140,336	\$ 456,521
Accrued payroll and benefits	30,475	27,489
Other accrued expenses	123	108
Deferred revenue	433,331	437,165
TOTAL CURRENT LIABILITIES	<u>604,265</u>	<u>921,283</u>
 <b><u>NET ASSETS</u></b>		
Without donor restrictions	843,455	719,980
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,447,720</u>	<u>\$ 1,641,263</u>

See accompanying notes to combined financial statements

COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

Years ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>REVENUE</u>		
Management services	\$ 1,185,000	\$ 1,150,000
Membership dues and related income	482,721	458,395
Visitor guide	261,445	259,644
Grant income	100,000	0
Co-op advertising	53,634	83,520
Other	24,951	23,164
TOTAL REVENUE	<u>2,107,751</u>	<u>1,974,723</u>
<u>EXPENSES</u>		
Program services	1,745,475	1,610,275
Membership development	72,507	92,886
Management and general	166,294	160,592
TOTAL EXPENSES	<u>1,984,276</u>	<u>1,863,753</u>
INCREASE IN NET ASSETS	123,475	110,970
<u>NET ASSETS</u>		
Beginning of year	719,980	609,010
End of year	<u>\$ 843,455</u>	<u>\$ 719,980</u>

See accompanying notes to combined financial statements

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

Year ended September 30, 2019

	<u>Program Services</u>	<u>Membership Development</u>	<u>Management and General</u>	<u>Total</u>
<u>EXPENSES</u>				
Advertising and promotion	\$ 47,992	\$ 0	\$ 5,332	\$ 53,324
Bank fees	0	0	2,979	2,979
Co-op advertising	53,634	0	0	53,634
Depreciation	16,501	0	1,833	18,334
Dues and subscriptions	2,115	0	235	2,350
Grant expenses	100,000	0	0	100,000
Insurance	6,073	0	675	6,748
Licenses and fees	0	0	132	132
Meetings	7,655	0	851	8,506
Office expense	14,062	0	1,562	15,624
Partner development	0	7,432	0	7,432
Payroll taxes and benefits	204,094	9,541	22,677	236,312
Professional fees	19,822	0	2,202	22,024
Rent	81,229	0	9,025	90,254
Repairs and maintenance	5,287	0	587	5,874
Salaries and wages	1,054,823	55,534	117,203	1,227,560
Staff development	9,011	0	1,001	10,012
Travel	2,630	0	0	2,630
Visitor guide	118,000	0	0	118,000
Visitors' center	2,547	0	0	2,547
<b>TOTAL EXPENSES</b>	<u>\$ 1,745,475</u>	<u>\$ 72,507</u>	<u>\$ 166,294</u>	<u>\$ 1,984,276</u>

See accompanying notes to combined financial statements

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

Year ended September 30, 2018

	<u>Program Services</u>	<u>Membership Development</u>	<u>Management and General</u>	<u>Total</u>
<b><u>EXPENSES</u></b>				
Advertising and promotion	\$ 50,979	\$ 0	\$ 5,664	\$ 56,643
Bank fees	0	0	3,861	3,861
Co-op advertising	83,520	0	0	83,520
Depreciation	17,201	0	1,911	19,112
Dues and subscriptions	2,317	0	257	2,574
Insurance	5,665	0	629	6,294
Licenses and fees	0	0	176	176
Loss on disposal of assets	0	0	1,643	1,643
Meetings	5,371	0	597	5,968
Office expense	13,288	0	1,476	14,764
Partner development	0	9,461	0	9,461
Payroll taxes and benefits	190,896	15,169	21,211	227,276
Professional fees	20,838	0	2,315	23,153
Rent	77,451	0	8,606	86,057
Repairs and maintenance	5,396	0	600	5,996
Salaries and wages	996,288	68,256	110,699	1,175,243
Staff development	8,525	0	947	9,472
Travel	6,518	0	0	6,518
Visitor guide	118,000	0	0	118,000
Visitors' center	8,022	0	0	8,022
<b>TOTAL EXPENSES</b>	<b><u>\$ 1,610,275</u></b>	<b><u>\$ 92,886</u></b>	<b><u>\$ 160,592</u></b>	<b><u>\$ 1,863,753</u></b>

See accompanying notes to combined financial statements



COMBINED STATEMENTS OF CASH FLOWS

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

Years ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase in net assets	\$ 123,475	\$ 110,970
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	18,334	19,112
Loss on disposal of fixed assets	0	1,643
(Increase) decrease in operating assets:		
Accounts receivable	(2,815)	96,701
Due from Sarasota County	247,778	(346,955)
Prepaid expenses	(34,338)	8,190
Deposits	(10,457)	5,956
Increase (decrease) in operating liabilities:		
Accounts payable	(316,185)	196,228
Accrued payroll and benefits	2,986	(6,302)
Other accrued expenses	15	(72)
Deferred revenue	(3,834)	32,043
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>24,959</u>	<u>117,514</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	<u>(11,921)</u>	<u>(19,811)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(11,921)</u>	<u>(19,811)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	13,038	97,703
<u>CASH AND CASH EQUIVALENTS</u>		
Beginning of year	497,080	399,377
End of year	<u>\$ 510,118</u>	<u>\$ 497,080</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the year for:		
Income taxes	<u>\$ 9,680</u>	<u>\$ 0</u>

See accompanying notes to combined financial statements

## NOTES TO COMBINED FINANCIAL STATEMENTS

### **SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018

#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Nature of Operations:**

Sarasota Convention Center and Visitors Bureau, Inc. (the Organization) was incorporated on July 6, 1982, under the laws of the State of Florida as a not-for-profit organization to advance and develop tourism within Sarasota County (the County). The d/b/a Visit Sarasota County was registered with the State of Florida effective April 19, 2012. As provided for within Chapter 125 of Florida Statutes and 114 of Sarasota County Code, the Organization is the official marketing organization for the County. Effective January 1, 2013, Friends of Sarasota County Visitor Services, Inc. (Friends) was registered with the State of Florida as a not-for-profit organization for purposes of providing visitor services to more of Sarasota County through use of a mobile visitor's center to be funded by local businesses. By virtue of the common management, the accounts of Friends are combined in the accompanying combined financial statements with the accounts of the Organization as of January 1, 2013.

Governed by annual contracts with the County, the primary responsibility of the Organization is to manage and administer the Sarasota County Tourism Business Plan funded by the Tourist Development Tax Proceeds. The Organization earns revenues from the County for performance of management and administration services detailed in the contract. As part of the services performed for this fee, the Organization acts as an agent between the County and the various vendors providing tourist related goods or services. The Organization pays vendors on the County's behalf and receives reimbursements from the County or the Organization provides documentation to the County for direct payment of goods and services. These reimbursements and direct payments are not recorded as revenues, because the Organization is acting as an agent in these transactions.

The Organization operates a visitors' center and has corporate office space in Sarasota, Florida. The Organization also obtains private sector funding, as required by the contract with the County, in the form of membership dues, revenues from selling advertising space within the visitor guide, cooperative advertising efforts, and retail sales at the visitors' center. Friends was established for the purpose of operating a mobile visitor center and to provide a means to solicit tax deductible contributions.

##### **Combination:**

The accompanying combined financial statements include the accounts of Sarasota Convention and Visitors Bureau, Inc. d/b/a Visit Sarasota County and its affiliate, Friends of Sarasota County Visitor Services, Inc., which are collectively referred to as the Organization. All significant intercompany accounts and transactions have been eliminated in combination.

##### **Basis of Accounting:**

The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

##### **Accounting Standard Update:**

On August 18, 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation:**

The Organization follows the standards of accounting and financial reporting of Not-for-Profit Organizations, which requires the net assets of the Organization and changes therein to be classified and reported as follows:

Net assets without donor restrictions: Net assets are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no net assets with donor restrictions at September 30, 2019 and 2018.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires or is satisfied, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities and changes in net assets. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization records the support as net assets without donor restrictions. The Organization did not receive any contributions with donor imposed restrictions during the years ended September 30, 2019 and 2018.

**Revenue Recognition:**

Membership dues, visitor guide and co-op advertising revenues are initially deferred and the revenue is recognized as it is earned. Management service revenues are recognized ratably over the term of the contract. All other revenues are recognized at the time of receipt.

**Cash and Cash Equivalents:**

Cash and cash equivalents include all cash balances and highly liquid investments with an initial maturity of three months or less.

**Accounts Receivable:**

Accounts receivable, which is comprised of amounts due from members for annual membership fees, visitors guide and co-op advertising, is stated at the amount management expects to collect from balances outstanding at year end. The potential risk is limited to the amounts recorded in the combined financial statements. Based on management's assessment of the credit history with members having balances outstanding and current relationships with them, it has estimated that realization of losses on balances outstanding at year end will not be significant.

**Functional Allocation of Expenses:**

The costs of providing program and supporting services have been summarized on a functional basis. Costs are allocated between management and general, membership development, or program services based on evaluations of the related benefits. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Due from Sarasota County:**

Due from Sarasota County consists of management and administration fees receivable, which is stated at the amount per the contract with the County. Also included are amounts due to the Organization for tourism related expenses paid on behalf of the County.

**Property and Equipment:**

Property and equipment is recorded at cost, less accumulated depreciation. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management annually reviews these assets to determine whether carrying values have been impaired. Depreciation is provided over the estimated useful lives of their respective assets using the straight-line method. Estimated useful lives range from 3 to 9 years.

**Use of Estimates:**

The preparation of combined financial statements in conformity with GAAP 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income Taxes:**

The Organization is a not-for-profit organization exempt from federal income tax under Section 501 (c)(6) of the Internal Revenue Code and is exempt from similar state and local taxes. Although the Organization was granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." Such income, pursuant to the Internal Revenue Code and related regulations, includes investment income such as interest received from sources other than directly from the membership. The Organization has not been classified as a private foundation and incurred \$-0- in unrelated business income tax for the years ended September 30, 2019 and 2018. Friends received acceptance of exempt status under Section 501 (c)(3) of the Internal Revenue Code during the year ended September 30, 2014.

**Advertising and Promotion:**

Purchased advertising media is expensed when the related media is published or broadcast. Costs incurred in advance of an advertising program, such as printing and production, are recorded as prepaid expenses until the corresponding media is published or broadcast; at which time it is expensed. Other advertising costs are charged to operations as incurred.

**Subsequent Events:**

Management evaluated all activity of the Organization through January 16, 2020, the date the combined financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition or disclosure in the combined financial statements.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018

**NOTE B - PROPERTY AND EQUIPMENT**

Property and equipment are summarized as follows at September 30:

	<u>2019</u>	<u>2018</u>
Furniture and fixtures	\$ 3,175	\$ 3,175
Office equipment	137,212	136,353
Leasehold improvements	<u>16,562</u>	<u>16,562</u>
	156,949	156,090
Less accumulated depreciation	<u>112,384</u>	<u>105,112</u>
NET PROPERTY AND EQUIPMENT	<u>\$ 44,565</u>	<u>\$ 50,978</u>

**NOTE C - OPERATING LEASES**

The Organization has a non-cancelable operating lease agreement for corporate office space with an unrelated party. The lease term was scheduled to expire on December 31, 2016 but has been extended through December 31, 2019. The current monthly rent payments as extended are \$7,632, including sales tax.

On August 28, 2019, the Organization entered into a non-cancelable operating lease agreement with an unrelated party for corporate office space set to commence on January 1, 2020. The lease terminates February 28, 2025. The current monthly rent payments as extended are \$5,527, including sales tax, and shall be increased by 3% per annum.

On October 1, 2017, the Organization entered into a non-cancelable operating lease agreement with an unrelated party for the location of a Visitor Center. The lease terminates on September 30, 2020 with the option to renew for two years followed by an additional term of five years. The current monthly rent payments are \$3,761, including sales tax, and shall be increased annually by the lesser of 3% of the prior year's rental or the percentage, if any, of the increase in the Consumer Price Index.

On January 8, 2019, the Organization entered into a non-cancelable operating lease agreement with an unrelated party for a second location of a Visitor Center. The lease terminates on December 30, 2021 with the option to renew through December 30, 2023, followed by an additional option to renew through December 30, 2028. The future monthly rent payments will be \$1,766, including sales tax and shall be increased annually by the percentage, if any, of the increase in the Consumer Price Index.

The following is a schedule of annual future minimum lease payments required under operating leases with initial or remaining non-cancelable lease terms in excess of one year as of September 30, 2019:

2020	\$ 133,428
2021	89,171
2022	75,311
2023	72,110
Thereafter	<u>102,151</u>
	<u>\$ 472,171</u>

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018

**NOTE C - OPERATING LEASES (CONTINUED)**

Rent expense for the years ended September 30, 2019 and 2018 was \$150,197 and \$110,251, respectively. The Visitor Center's rent is reimbursed by Sarasota County (See Note G), which totaled \$59,943 and \$42,543 for the years ended September 30, 2019 and 2018, respectively. The Organization's future minimum lease payments will be offset by the reimbursement from Sarasota County as follows:

2020	\$ 66,320
2021	21,186
2022	5,297
	<u>\$ 92,803</u>

**NOTE D - SPONSORSHIP AGREEMENT**

On June 26, 2014, the Organization entered into a five-year non-cancelable agreement to conduct sponsorship and promotional activities at The Mall at University Town Center commencing October 16, 2014 and terminating October 15, 2019. The agreement required a payment of \$137,025 due on or before October 1, 2014 for the first two years and a payment of \$71,611 due on or before October 1, 2016 for the third year, increasing by 3% annually for the remainder of the agreement. Expenses incurred under the sponsorship agreement for the years ended September 30, 2019 and 2018 was \$81,290 and \$78,922, respectively.

**NOTE E - CONCENTRATIONS OF CREDIT RISK**

Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents. The Organization maintains its cash and cash equivalents with major banks and financial institutions. At any given time, the Organization may have cash balances exceeding the federal depository insurance coverage limits. The Organization has not experienced any losses in such accounts and does not believe such accounts are exposed to any significant credit risk.

The Organization receives a substantial amount of its support from the County in the form of the management and administration fees and various forms of revenues from local organizations. The loss of the contract with the County, a significant reduction in the level of tourist development taxes collected by the County, or a severe economic downturn may have a materially adverse effect on the financial position and operations of the Organization. Management and administration service revenue from the County represents 56% and 58% of total revenues for the years ended September 30, 2019 and 2018, respectively.

**NOTE F - RETIREMENT PLAN**

The Organization has established a Savings Incentive Match Plan for Employees (SIMPLE) Individual Retirement Account (IRA) Plan for eligible employees. To become eligible to participate in the Plan, the employee must have earned \$5,000 during any two preceding years and be reasonably expected to earn such amount during the year of eligibility. The Organization made matching contributions equal to 100% of the participating employees' elective deferrals not exceeding 3% of the employees' compensation. Retirement expense, included in payroll taxes and benefits in the accompanying combined statements of activities and changes in net assets, for the years ended September 30, 2019 and 2018 was \$27,968 and \$24,747, respectively.



NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

**SARASOTA CONVENTION AND VISITORS BUREAU, INC. AND AFFILIATE  
D/B/A VISIT SARASOTA COUNTY**

September 30, 2019 and 2018

**NOTE G - CONTRACT REIMBURSEMENTS AND DIRECT PAYMENTS**

The Organization's contract with the County for the years ended September 30, 2019 and 2018 allocated a sum not to exceed \$7,717,000 and \$6,515,300, respectively, for tourism promotion related expenses including the Organization's fee for management. Also included in those amounts are \$125,000 and \$130,000 for film productions for the years ended September 30, 2019 and 2018, respectively. The film budget represents a transfer of funds to the Economic Development Corporation, Film & Entertainment Office, and as such the Organization had no responsibility for the accounting of the expenditure of the film budget line item.

For the years ended September 30, 2019 and 2018, the Organization submitted \$7,320,366 and \$6,270,001 in invoices to the County for expenses including the management fee revenue of \$1,185,000 and \$1,150,000, respectively. The expenses incurred in the years ended September 30, 2019 and 2018 were less than the total sums allocated by the County by \$271,634 and \$115,299, respectively, excluding the film budget line item during each year. These amounts under budget are held by the County. Contract expenses are as follows for the years ended September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Advertising, promotion and marketing	\$ 5,996,732	\$ 4,984,020
Management services	1,185,000	1,150,000
Postage and shipping	63,634	61,406
Telecommunications	25,000	24,575
Administrative	50,000	50,000
TOTAL CONTRACT EXPENSES	<u>7,320,366</u>	<u>\$ 6,270,001</u>

**NOTE H - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES**

The Organization regularly monitors the availability of resources required to meet operating needs and other contractual commitments, while also striving to maximize the services provided to the community in which it serves.

The Organization's financial assets available for general use expenditures within one year as of September 30, 2019, consist of the following:

Financial assets:

Cash and cash equivalents	\$ 510,118
Accounts receivable	242,727
Due from Sarasota County	<u>557,572</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 1,310,417</u>