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AGENDA
THE GULF CONSORTIUM
Executive Committee Meeting

June 13, 2024; 3:00 p.m. Eastern
GoToMeeting

<https://global.gotomeeting.com/join/615887485>

United States: +1 (408) 650-3123

Access Code: 615-887-485

Committee Members

Chair - Commissioner Chris Constance (Charlotte), Vice-chair - Commissioner John Meeks (Levy),
Secretary/Treasurer - Commissioner Jack Mariano (Pasco), David Edwards (Wakulla), Commissioner
Charlie Justice (Pinellas)

Alternate Committee Members:

Commissioner Paul Mixon (Okaloosa), Commissioner Robert Carroll (Bay)

Staff

Valerie Seidel, Dan Dourte, Richard Bernier, Amy Bainbridge (The Balmoral Group)
Lynn Hoshihara, Evan Rosenthal (Nabors, Giblin & Nickerson, P.A.)

Item 1. Call to Order.

Chairman Commissioner Christopher Constance will call the meeting to order.

Item 2. Roll Call.

Valerie Seidel will call the roll.

Item 3. Additions or Deletions.

Any additions or deletions to the committee meeting agenda will be announced.

RECOMMEND: Approval of a final agenda.

Item 4. Public Comments.

The public is invited to provide comments on issues that are on today's agenda. The meeting will be conducted electronically (or "virtually"). You may participate in the meeting electronically by joining the go to meeting at <https://global.gotomeeting.com/join/615887485> or you may also dial in using your phone:

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Please note: Individuals who have comments concerning a specific agenda item shall make an effort to communicate with staff prior to that agenda item.

(please see backup pages 4-5)

Item 5. Consent Agenda.

The consent agenda items are presented for approval. Executive Committee members may remove any items from this agenda that they have questions on or would like to discuss in depth. Any items removed would then be included in the regular agenda in an order assigned by the Chair.

Consent Agenda Items:

- Minutes of the January 25, 2024 Executive Committee Meeting (please see backup pages 6-10)
- Report on delegated authority through May 31, 2023 (please see back up pages 11-13)

RECOMMEND: Approve Executive Committee Meeting Minutes and Delegated Authority Report

Item 6. Audit Review

The audit summary has been reviewed by the Audit Committee and Finance and Budget Committee. It will be presented to the Executive Committee. (Please see back up 14-56)

RECOMMEND: Approve audit for full board review

Item 7. Review of Annual Cap and Management Actual Hours vs Contract Hours.

Valerie Seidel will present summary data relating to annual caps, actual management hours for grant and general administration and compared to contract hours. (Please see back up pages 56-59)

RECOMMEND: For information only

Item 8. Initiate Audit Procurement

Valerie Seidel will discuss the need to start a new procurement process for audit services as the current contract is near the end of its term. A request for proposals (RFP) for auditor procurement has been prepared for the Committee to review (Please see back up pages 60-81)

RECOMMEND: Approve for Full Board Review

Item 9. Policy Revisions

Valerie Seidel will summarize the policy updates for Executive Committee Approval. All policy revisions have been reviewed with the Policy Committee at two prior policy review meetings. (Please see back up pages 82-85)

RECOMMEND: Approve Updated Policies for Board Review

Item 10. Grant Applications Status

Dan Dourte will give an update on grant application status. 1 new application was received and 1 award is being amended. Total new funding requested: about \$2.1M. Upcoming subrecipient



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applications should be delivered to the Gulf Consortium by 8/16/2024. The status for all projects with active funding requests is regularly updated and can be accessed on P.7 of the interface at <https://datavisual.balmoralgroup.us/GulfConsortiumProjects>.

RECOMMEND: Approve Grant Applications for Full Board Review

(Please see back up pages 86-89)

Item 11. Financial Report

Richard Bernier will deliver updated financial reports. (Please see back up pages 90-97)

RECOMMEND: Approve Financial Reports for Final Board Approval

Item 12. Project Highlight

Citrus County's project 13-1: NW Quadrant Sewer Force Main will be presented to explain objectives and progress. (Please see back up pages 98-102)

RECOMMEND: For information only

Item 13. General Counsel Report

Updates as needed from General Counsel. (Please see back up pages 103-104)

RECOMMEND: For information only

Item 14. Manager's Report

Valerie Seidel will present an updated manager's report. (Please see back up pages 105-106)

RECOMMEND: For information only

Item 15. Public Comments

The public is invited to provide comments on relevant issues. (Please see back up 107-108)

Item 16. Executive Committee Member Comments

Members of the Gulf Consortium Executive Committee are invited to provide comments on relevant issues. (Please see back up pages 109-110)

Item 17. Upcoming Gulf Consortium Board Meeting

TBD

Item 18. Adjourn

AGENDA ITEM 4

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 4
Public Comments**

Statement of Issue:

The public is invited to provide comments on issues that are on today's agenda

Attachments:

None

Prepared by:

Grant Miller
The Balmoral Group
Economic Analyst
On: June 4, 2024

AGENDA ITEM 5a

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 5a
Approval of January 25, 2024 Meeting Minutes**

Statement of Issue:

Request to approve the minutes of the January 25, 2024 meetings of the Gulf Consortium Executive Committee.

Options:

- (1) Approve the January 25, 2024 minutes as presented; or
- (2) Amend and then approve the minutes.

Recommendation:

Motion to approve Option 1.

Prepared by:

Grant Miller, The Balmoral Group
On: June 4, 2024

Attachment:

Draft Minutes, January 25, 2024 meeting of the Gulf Consortium Executive Committee.

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved ____; Approved as amended ____; Defeated ____.

**Gulf Consortium Executive Committee Meeting
January 25, 2023 Time 4:30p.m. (Eastern)
GoToMeeting**

Members in Attendance: Chair - Commissioner Christopher Constance (Charlotte), Vice-chair - Commissioner John Meeks (Levy), Secretary/Treasurer - Commissioner Jack Mariano (Pasco), Commissioner Robert Bender (Escambia), David Edwards (Wakulla)

Also, in Attendance: Staff: Valerie Seidel, Dan Dourte, Amanda Jorjorian (all, of The Balmoral Group); Legal Counsel: Evan Rosenthal (Nabors, Giblin & Nickerson)

Agenda Item #1 – Call to Order

Chairman Christopher Constance called the meeting to order at 4:30pm.

Agenda Item #2 – Roll Call

Valerie Seidel called the roll. Attendees as above.

Agenda Item #3 – Addition or Deletions

Chairman Christopher Constance asks the committee if they have any additions, deletions, or corrections to the agenda. Valerie Seidel asked for a few minutes with DEP to share updates after the Managers Report. There will be an additional item at the board meeting. Commissioner Meeks made the motion, second by Commissioner Bender.

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #4 – Public Comment

None.

Agenda Item #5 – Consent Agenda

Chairman Christopher Constance presents the minutes from the November 16th Executive Committee Meeting and the Report on Delegated Authority through January 10th for approval. A motion was made for approval of the minutes and delegated authority by Commissioner Meeks, seconded by Chair Christopher Constance.

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #6 – Executive Committee Officer Elections

Daniel Dourte informed the board of office elections. Three people were nominated and it was all the incumbents. Commissioner Constance was the only one running for chair, Commissioner Meeks for Vice Chair, Commissioner Jack Mariano for Secretary/Treasurer. Elections can be held with a single board motion virtually as last year. Commissioner Bender made the motion to move the slate to the entire board, second by Chair Commissioner Christopher Constance

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #7 –Committee Assignments

Valerie Seidel presented updated committee assignments for the year due to changes in board composition. The first finance meeting was on the 30th with new composition. David Edwards made the motion to approve to full board, second by Commissioner Mariano. Passed by unanimous vote.

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #8 – Grant Applications Status

Chairman Christopher Constance recognized Dan Dourte who informed the board that there were no new grant applications. The next deadline for new applications is May 24th ahead of the June Board

meeting in person in Orlando. Think about work you want to be starting by June of next year. This is informational only. There were no questions. No action was required.

Agenda Item #9 – Financial Report

Chairman Commissioner Christopher Constance recognized Richard Bernier who provided the balance sheet and income statements through December 22. There were no questions. David Edwards made the motion to approve the financial reports to the full board, second by Commissioner Mariano. Passed by unanimous vote.

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #10- 6th SEP Amendment

Chairman Commissioner Christopher Constance recognized Daniel Dourte who requested the SEP Amendment #6 be submitted to RESTORE. All RESTORE comments have been resolved along with DEP and FWC comments and included in the packet as an attachment to this agenda item. There were no questions on this item. David Edwards made the motion to approve SEP Amendment #6 to the full board, second by Commissioner Meeks. Jack Mariano abstained from voting, passed by unanimous vote with one abstaining.

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #11- Project Highlight

Daniel Dourte provided a project highlight to the committee. It was the 19-1 Dona Bay Hydrologic Restoration in Sarasota County. This item was for information only. There were no questions, and one comment was provided requesting to update the highlighted county on the map for further presentations.

Agenda Item #12- General Counsel Report

There were no updates from General Counsel. No action was required.

Agenda Item #13- Managers Report

Chairman Commissioner Christopher Constance recognized Valerie Seidel who provided an update on the manager’s report. Staff submitted 16 draw requests, and 2 Financial Reports during the reporting period. There are 9 financial and performance reports due next month. RESTORE Council has updated reporting periods for all awards across the Gulf States, and all Consortium awards will have reports due either Mar 1 or Aug 29 depending on the award. This simplifies reporting but also means twice per year there’s a substantial reporting workload. Staff is very excited to see the new funds being applied in the grant application that is pending approval today. The Fiscal Year audit has commenced and we are on track for timely completion of the updated audit. Quarterly calls with Counties are continuing – keeping us updated on grant activity; and monthly calls with RESTORE Council have been scheduled to stay in closer contact with them. Staff completed our first construction-verification site visit in Sarasota County’s Dona Bay to review recent water control structure rehabilitation. A big thank you to Sarasota County for a very thorough and fascinating tour of the Dona Bay hydrologic restoration sites. This item was for information only.

Agenda Item #14 Public Comments

None.

Agenda Item #15– Executive Committee Member Comments

Chairman Christopher Constance asks if any members from the committee wish to make a comment. The committee gave thanks for the support in elections.

Agenda Item #16 – Upcoming Board Meeting

The next meeting is virtual on June 13th at 4:30pm.

Agenda Item #17 – Adjourn

There being no further business the meeting was adjourned at 5:02pm

DRAFT

AGENDA ITEM 5b

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 5b
Report on Delegated Authority
Actions from November 5, 2023 – January 10, 2024**

Summary:

Staff report of actions carried out through delegated authority of the Board. There were 2 annual reports and there were 16 draw requests for SEP project work. A detailed listing of individual transactions follows.

Submission Date	Action Taken	County	Project No.	Amount
1/25/2024	Draw Request	Adaptive Planning	24-1	1,619.24
1/25/2024	Draw Request	Pinellas	16-2	664,816.56
1/25/2024	Draw Request	Taylor	10-2	125.04
1/25/2024	Draw Request	Okaloosa	3-4	1,137.84
1/25/2024	Draw Request	Gulf	6-1	2,775.83
1/25/2024	Draw Request	Hernando	14-1	400.12
1/25/2024	Draw Request	Hillsborough	17-1	2,675.62
1/25/2024	Draw Request	Levy	12-2	325.10
2/2/2024	Accepted Amendment Award	Santa Rosa	2-1	
2/16/2024	Draw Request	Pasco	15-1	393.87
2/16/2024	Draw Request	Collier	22-1	32,272.43
2/23/2024	Financial Report	Manatee	18-6	
2/23/2024	Financial Report	Okaloosa	3-3	
2/23/2024	Financial Report	Sarasota	19-1	
2/23/2024	Financial Report	Walton	4-1	
2/23/2024	Financial Report	Citrus	13-2	
2/23/2024	Financial Report	Hernando	14-1	
2/26/2024	Performance Report	Citrus	13-1	
2/26/2024	Performance Report	Citrus	13-2	
2/26/2024	Performance Report	Hernando	14-1	
2/27/2024	Performance Report	Okaloosa	3-4	
2/27/2024	Performance Report	Sarasota	19-1	
2/27/2024	Performance Report	Manatee	18-2	
2/27/2024	Performance Report	Pinellas	16-2	
2/27/2024	Performance Report	Collier	22-1	
2/27/2024	Performance Report	Bay	5-2	
2/28/2024	Performance Report	Taylor	10-3	
2/28/2024	Performance Report	Escambia	1-1	
2/29/2024	Financial Report	Manatee	18-2	

2/29/2024	Financial Report	Pinellas	16-2	
2/29/2024	Financial Report	Okaloosa	3-4	
2/29/2024	Financial Report	Taylor	10-3	
3/4/2024	Draw Request	Adaptive Planning	24-1	2,669.55
3/4/2024	Draw Request	Santa Rosa	2-1	8,126.54
3/4/2024	Draw Request	Taylor	10-1	11,903.57
3/4/2024	Draw Request	Pinellas	16-1	7,111.56
3/4/2024	Draw Request	Sarasota	19-1	314,613.11
3/4/2024	Draw Request	Bay	5-2	30,799.37
3/5/2024	Financial Report	Collier	22-1	
3/6/2024	Financial Report	Citrus	13-1	
3/7/2024	Financial Report	Bay	5-2	
3/27/2024	Resubmitted Award Amendment	Bay	5-2	
4/11/2024	Draw Request	Citrus	13-1	684,058.53
4/11/2024	Draw Request	Bay	5-1	12,272.43
4/11/2024	Draw Request	Citrus	13-2	207,080.75
4/15/2024	Resubmitted Award Amendment	Santa Rosa	2-1	
4/16/2024	Performance Report	Okaloosa	3-3	
4/18/2024	Performance Report	Manatee	18-6	
4/23/2024	Performance Report	Walton	4-1	
4/25/2024	Draw Request	Adaptive Planning	24-1	19,424.58
4/25/2024	Draw Request	Taylor	10-2	1,094.08
4/25/2024	Draw Request	Taylor	10-3	2,231.92
4/25/2024	Draw Request	Citrus	13-3	1,137.84
4/25/2024	Draw Request	Gulf	6-1	5,876.76
4/25/2024	Draw Request	Okaloosa	3-3	1,575.47
4/25/2024	Draw Request	Bay	5-2	10,497.34
4/25/2024	Application	Dixie	11-1	3,078,326.00
4/29/2024	Financial Report	Franklin	7-3	
4/29/2024	Application	Monroe	23-1	12,516,999.00
4/29/2024	Project Close Out	Franklin	7-3	

AGENDA ITEM 6

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 6
Consortium Audit**

Statement of Issue:

Board acceptance of the findings of the Consortium's Audit and Federal Single Audit.

Background:

A summary of the audit will be provided verbally to the Executive Committee. This has been presented also to the Audit/Finance committee.

Options:

- (1) Approve the Auditors report for Board review
- (2) Executive Committee Direction

Recommendation:

Motion to approve Option 1.

Attachments:

Annual Financial Report and Independent Audit Report, through September 30, 2023

Prepared by:

Richard Bernier
The Balmoral Group
On: June 4, 2024

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved ____; Approved as amended ____; Defeated _____.

GULF CONSORTIUM

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

DRAFT

**GULF CONSORTIUM
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SEPTEMBER 30, 2023**

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INDEPENDENT AUDITORS' REPORT

To the Honorable Members of
Gulf Consortium

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of Gulf Consortium (the Consortium), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Consortium's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Consortium, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Consortium 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 opinions.

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 Consortium's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' report that includes our opinions. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Consortium'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 Consortium'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 budgetary comparison information for the general fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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 opinions on the financial statements that collectively comprise the Consortium's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated [REPORT DATE], on our consideration of the Consortium's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Consortium's internal control over financial reporting and compliance.

Fort Walton Beach, Florida

[REPORT DATE]

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

As management of Gulf Consortium (the Consortium), our discussion and analysis provides an overview of the Consortium's financial performance and activities for the fiscal year ended September 30, 2023. It should be read in conjunction with the Consortium's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Consortium's assets exceeded its liabilities by \$4,836,996 (net position), which represents an increase of \$4,790,314 from the prior year. Of this amount, \$4,725,817 is restricted for restoration and recovery projects and \$111,179 is unrestricted and may be used to meet the Consortium's ongoing obligations to its members and creditors.
- Program revenues consist of membership assessments paid by each of the 23 member counties, grant awards expended from the Oil Spill Impact Program, and a class action settlement payment related to the *Deepwater Horizon* oil spill. Total revenues recognized during fiscal year 2023 were \$7,985,424.
- The Consortium's governmental fund (the general fund) reported ending fund balance of \$4,836,996, which represents an increase of \$4,790,314 from the prior year. Ending unassigned fund balance of \$111,179 is available for spending at the discretion of the Board of Directors. Unassigned fund balance represents 3.5% of total expenditures for the general fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Consortium is a legal entity and public body created pursuant to the provisions of Chapter 163, Florida Statutes (the Interlocal Act) in 2012 through an interlocal agreement between the 23 Florida counties with frontage along the Gulf of Mexico (the member counties), from Escambia County in the western panhandle of Florida to Monroe County on the southern tip of Florida.

The member counties formed the Consortium to join together for the purposes of implementing the consortia of local political subdivisions contemplated by the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (the RESTORE Act). The Consortium's primary purpose is to develop a State Expenditure Plan (SEP) for the expenditure of the Oil Spill Restoration Impact Allocation required by the RESTORE Act following the *Deepwater Horizon* oil spill event in 2010.

The Consortium's Board of Directors consists of one representative from each of the member counties. As a public agency, the Consortium must meet all state transparency requirements, including the Public Records Law and the Florida Sunshine Law. The Board of Directors meets on a quarterly basis to carry out its duties in administering the oil spill funds.

The Consortium executed a memorandum of understanding (MOU) with Florida Governor Rick Scott in 2013 to foster the development of the SEP, to enhance coordination and also to ensure consistency with the goals and objectives of the Gulf Coast Ecosystem Restoration Council's (the Restoration Council) Initial Comprehensive Plan. The MOU outlines cooperation elements between the Governor's Office and the Consortium and identifies the Consortium as the party responsible for the creation of the SEP.

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

This discussion and analysis intends to serve as an introduction to the Consortium's basic financial statements. The Consortium's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

Designed to be corporate-like, the government-wide financial statements report on governmental activities. This provides readers with a broad overview of the Consortium's finances, in a manner similar to a private-sector business.

The statement of net position presents information on the Consortium's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Consortium is improving or deteriorating. The statement of activities presents information showing how the Consortium's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The basic government-wide financial statements are found on pages 9-10 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities of objectives. The Consortium, like other government agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The only fund maintained by the Consortium is the general fund, which is classified as a governmental fund.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements. Found on pages 11-12 of this report are the basic governmental fund financial statements.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Beginning on page 13 of this report are the notes to the financial statements.

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously noted, net position may serve over time as a useful indicator of a government's financial position. In the case of the Consortium, assets exceeded liabilities by \$4,836,996 (net position) as of September 30, 2023, as reported in Table 1.

**TABLE 1
GULF CONSORTIUM
STATEMENTS OF NET POSITION - GOVERNMENTAL ACTIVITIES
AS OF SEPTEMBER 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and cash equivalents	\$ 467,010	\$ 42,451
Due from other governments	367,490	60,761
Other receivables	4,725,817	-
Prepaid items	21,828	16,184
TOTAL ASSETS	<u>5,582,145</u>	<u>119,396</u>
LIABILITIES		
Accounts payable	745,149	68,743
Accrued liabilities	-	3,971
TOTAL LIABILITIES	<u>745,149</u>	<u>72,714</u>
NET POSITION		
Restricted - restoration and recovery projects	4,725,817	-
Unrestricted	111,179	46,682
TOTAL NET POSITION	<u>\$ 4,836,996</u>	<u>\$ 46,682</u>

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

The overall increase in the Consortium's net position was \$4,790,314 for fiscal year 2023. The increase in net position was primarily attributable to a nonrecurring class action settlement with Halliburton and Transocean related to punitive damages and assigned claims for the *Deepwater Horizon* oil spill. Table 2 highlights the key elements of the increase in net position.

**TABLE 2
GULF CONSORTIUM
STATEMENTS OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
REVENUES		
Program revenues		
Charges for services		
Membership assessments	\$ 124,122	\$ 124,122
Class action settlement	4,725,817	-
Total charges for services	4,849,939	124,122
Operating grants and contributions	3,135,485	9,455,010
TOTAL REVENUES	<u>7,985,424</u>	<u>9,579,132</u>
EXPENSES		
General government		
Grant-funded expenses	3,135,485	9,455,010
Non-grant funded expenses	59,625	92,603
TOTAL EXPENSES	<u>3,195,110</u>	<u>9,547,613</u>
CHANGE IN NET POSITION	4,790,314	31,519
NET POSITION, BEGINNING OF YEAR	<u>46,682</u>	<u>15,163</u>
NET POSITION, END OF YEAR	<u>\$ 4,836,996</u>	<u>\$ 46,682</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year 2024 budget adopted by the Board of Directors is \$44,706,638, which represents a decrease of 11.8% from the adopted budget for fiscal year 2023. The 2024 budget includes appropriations of \$124,122 for membership expenditures, \$82,516 for adaptive planning grant expenditures, and \$44,500,000 for SEP grant expenditures.

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Consortium's financial activities for the fiscal year ended September 30, 2023. Questions concerning any of the information provided in the report or requests for additional information should be addressed to The Balmoral Group, LLC, 165 Lincoln Avenue, Winter Park, Florida 32789.

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**GULF CONSORTIUM
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 467,010
Due from other governments	367,490
Prepaid items	21,828
Restricted assets	
Other receivables	4,725,817
TOTAL ASSETS	5,560,317
LIABILITIES	
Accounts payable	745,149
NET POSITION	
Restricted - restoration and recovery projects	4,725,817
Unrestricted	111,179
TOTAL NET POSITION	\$ 4,836,996

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See notes to the financial statements.

**GULF CONSORTIUM
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

<u>Function / Program Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities					
General government	\$ 3,195,110	\$ 4,849,939	\$ 3,135,485	\$ -	\$ 4,790,314
					46,682
					\$ 4,836,996

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See notes to the financial statements.

**GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
BALANCE SHEET
SEPTEMBER 30, 2023**

ASSETS

Cash and cash equivalents	\$ 467,010
Due from other governments	367,490
Other receivables	4,725,817
Prepaid items	<u>21,828</u>

TOTAL ASSETS

\$ 5,582,145

LIABILITIES

Accounts payable	<u>\$ 745,149</u>
------------------	-------------------

FUND BALANCE

Restricted for restoration and recovery projects	4,725,817
Unassigned	<u>111,179</u>

TOTAL FUND BALANCE

4,836,996

TOTAL LIABILITIES AND FUND BALANCE

\$ 5,582,145

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See notes to the financial statements.

**GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

REVENUES

Intergovernmental:	
Planning grants	\$ 37,347
State expenditure plan (SEP) grants	3,098,138
Charges for services:	
Membership assessments	124,122
Fines and forfeitures:	
Class action settlement	<u>4,725,817</u>
Total revenues	<u>7,985,424</u>

EXPENDITURES

Current	
General government	
Membership expenditures	
Management fees	42,842
Legal and other professional fees	6,405
Meetings and other operating expenditures	<u>10,378</u>
Total membership expenditures	59,625
Grant expenditures	
Planning grants	37,347
SEP grants	<u>3,098,138</u>
Total grant expenditures	<u>3,135,485</u>
Total expenditures	<u>3,195,110</u>
NET CHANGE IN FUND BALANCE	4,790,314
FUND BALANCE AT BEGINNING OF YEAR	<u>46,682</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 4,836,996</u></u>

See notes to the financial statements.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CONSORTIUM

Description of the Consortium

The Gulf Consortium (the Consortium) was created in response to the United States Resources and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act of 2012 (the RESTORE Act). The RESTORE Act was established as a mechanism for providing funding to the affected Gulf Coast states to restore ecosystems and rebuild local economies damaged by the *Deepwater Horizon* oil spill, which occurred on April 20, 2010. The RESTORE Act established the Gulf Coast Ecosystem Restoration Council (the Restoration Council), an independent entity, which is composed of certain federal officials and the state governors of Alabama, Florida, Mississippi, Louisiana and Texas. The RESTORE Act charges the Restoration Council with developing a comprehensive plan for ecosystem restoration in the Gulf Coast region (the Comprehensive Plan) that identifies projects and programs aimed at restoring and protecting the natural resources and ecosystems of the Gulf Coast region. The projects and programs are funded from a portion of the Gulf Coast Restoration Trust Fund, which is derived from administrative and civil penalties from responsible parties in connection with the explosion on, and sinking of, the mobile offshore drilling unit, *Deepwater Horizon*. In Florida, the RESTORE Act, pursuant to 33 U.S.C. Chapter 1321(t)(3), requires a consortia of local political subdivisions to develop a State Expenditure Plan (SEP), for the expenditure of the Oil Spill Restoration Impact Allocation Component of the Gulf Coast Restoration Trust Fund (the Trust Fund), as established in the RESTORE Act.

The Consortium was established as a separate legal entity pursuant to the provisions of Chapter 163, Florida Statutes (the Interlocal Act), in 2012 through an interlocal agreement between the 23 Florida counties with frontage along the Gulf of Mexico (the member counties). The Consortium's primary purpose is to 1) develop Florida's SEP; 2) prepare and process proposals for funding under the competitive program to be processed and administered by the Restoration Council; and 3) act as a resource and advocate for the member counties.

In 2015, the Restoration Council published its final rule on the RESTORE Act, Spill Impact Component allocation formula. The Spill Impact Component is comprised of 30% of funds in the Trust Fund. Amounts held in the Trust Fund represent 80% of the civil and administrative penalties paid out by the responsible parties as authorized by the Clean Water Act. The Spill Impact Component funding is expected to total \$1.6 billion. Florida's allocation of the Spill Impact Component is 18.36% of the total Spill Impact Component funding, or approximately \$293 million.

In 2015, the Consortium's planning grant application to prepare the SEP was submitted to the Restoration Council and was subsequently approved. The Consortium's SEP was approved by the Restoration Council in September 2018, and the Board of Directors (the Board) received approval to commence implementation activities in February 2019. The Board approved the first group of grant applications in March 2019, and the first project was awarded in September 2019. As of September 30, 2023, 34 projects have been awarded pursuant to the SEP.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

The Reporting Entity

The Consortium was organized as an independent special district under the laws and regulations of the State of Florida. Membership in the Consortium is limited to the counties that were impacted by the *Deepwater Horizon* oil spill. Each member county appoints one director to the Consortium to act as its representative. The Consortium operates independently and is not subject to the oversight of any individual governmental unit, and, therefore, is not a component unit of another primary government.

Government-wide and Fund Financial Statements

Government-wide financial statements, including the statement of net position and statement of activities, present information about the Consortium as a whole. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Council's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include assessments paid by member counties, grants and contributions that are restricted to meeting the requirements of a particular program and other revenues from exchange transactions. Revenues that are not classified as program revenues are presented as general revenues, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Consortium.

The statement of activities shows the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly related to a specific function or segment. Program revenue consists of contributions that are restricted to meeting specific requirements of a particular function or segment.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the Consortium considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to claims and judgments are recorded only when payment is due.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

The financial transactions of the Consortium are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual net position or fund balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The Consortium reports the following major governmental fund:

General Fund – The general fund is the chief operating fund of the Consortium and is used to account for all financial resources, except for those required to be accounted for in another fund.

Cash and Cash Equivalents

The Consortium considers cash on hand, demand deposits, and short-term investments purchased within three months of maturity to be cash and cash equivalents.

Deposits

Section 218.415, Florida Statutes, requires the investment of surplus public funds and prescribes the instruments in which those investments are authorized. The Consortium adheres strictly to the provisions of those cited statutes, as well as Chapter 280, Florida Statutes, which requires the Consortium to maintain deposits only with *Qualified Public Depositories*.

Membership Assessments

The Consortium levies an annual assessment on member counties to fund general administrative and management activities of the Consortium. The amount of the annual assessment is different for large counties than small counties. For the fiscal year ended September 30, 2023, the annual assessment for the 15 large member counties was \$7,334, and the annual assessment for the 8 small member counties was \$1,764.

Intergovernmental Revenues

The Consortium's intergovernmental revenues consist of federal program grant funding allocated for eligible projects. Once an eligible project is approved for funding by the Restoration Council, revenue is recognized by the Consortium when eligible grant expenditures are incurred. Revenues and expenditures for pre-award management and administrative costs are recognized when invoiced by the contracted service provider up to the limits specified in each grant agreement.

Grant Activities

When grants are awarded, the entire amount of the award is recorded as a grant receivable with an offsetting accrued grant liability. This is done to track the total amount remaining on each grant award. Although this is the Consortium's policy, it is not in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Management records journal entries at year-end to adjust these amounts to be reported in accordance with U.S. GAAP.

Net Position

Net position in the government-wide financial statements is categorized as restricted or unrestricted. Restricted net position consists of restricted assets reduced by liabilities related to those assets. The Consortium considers restricted amounts to be used first when both restricted and unrestricted net position is available.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

Fund Balance

GASB establishes fund balance classifications using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. Fund balance classifications used by the Consortium are comprised of the following:

- Nonspendable – includes amounts that are (a) not in a spendable form, or (b) legally or contractually required to be maintained intact. For the Consortium, nonspendable fund balance typically consists of prepaid items.
- Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Assigned – includes amounts intended to be used by the Consortium for specific purposes that not restricted. Intent is expressed by the Board to assign amounts to be used for specific purposes.
- Unassigned – is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, assigned, and unassigned.

Estimates

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

Reclassifications

Certain amounts presented for the prior year have been reclassified in order to be consistent with the current year presentation. Such reclassifications have no effect on fund balance or net position previously reported.

Subsequent Events

The Consortium has evaluated events and transactions that occurred between September 30, 2023, and [REPORT DATE], which is the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

2. DEPOSITS

Deposits may be exposed to custodial credit risk, which is the risk that, in the event of a bank failure, the government's deposits may not be returned. The Consortium maintains its deposits only with *Qualified Public Depositories*, as defined in Chapter 280, Florida Statutes. The provisions of this statute allow *Qualified Public Depositories* to participate in a multiple financial institution collateral pool to ensure the security for public deposits. All *Qualified Public Depositories* must place with (or in the name of) the Chief Financial Officer of the State of Florida, collateral in the amount of the average daily balance of public deposits multiplied by the average monthly balance of public deposits or 125 percent of the average daily balance of public deposits greater than capital. In the event of default by a *Qualified Public Depository*, excess losses over insurance and collateral will be recovered through assessments to all *Qualified Public Depositories* of the same type as the depository in default. Under this method, all Consortium's deposits are considered fully insured. On September 30, 2023, the Consortium had deposits totaling \$467,010. All of which were held by *Qualified Public Depositories*.

3. RECEIVABLES

The amounts reported as due from other governments consist of reimbursements due from the Restoration Council for qualified expenditures incurred for cost-reimbursement grants. On September 30, 2023, the amount due from the Restoration Council was \$367,490.

The amount reported as other receivables consists of proceeds from a class action settlement with the parties responsible for the *Deepwater Horizon* oil spill. See Note 6 of this report for additional information.

4. COMMITMENTS AND CONTINGENCIES

State of Florida

In 2013, the Consortium entered into a memorandum of understanding (MOU) with the Florida Governor's Office to collaborate for the benefit of the Gulf of Mexico and the State of Florida with a focus on maximizing Florida's attainment of funds under the RESTORE Act to restore the Gulf Coast ecosystems and energize the economic recovery in the region. The MOU requires coordination with the Governor's Office on projects in the SEP, which will be certified, if appropriate, by the Governor to the Restoration Council for approval. As part of the MOU, the Governor shall appoint six individuals to provide input and guidance to the Consortium on policies and criteria used to determine projects, activities and programs for consideration in the SEP. Additionally, the Consortium consults with various state agencies on the development of the SEP and provides the SEP to the Governor for review prior to submission to the Restoration Council.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

Management Contract

In 2017, the Consortium engaged The Balmoral Group, LLC (Balmoral) to serve as its full-time general manager. Contract services provided include administration of the Consortium's operations, as well as other administrative duties, including financial management, accounting services and annual budget preparation. The compensation for these services that are not eligible for reimbursement under federal grant awards is at a rate of \$175 per hour, not to exceed \$100,000 per fiscal year. Non-grant related expenditures under this contract for the year ended September 30, 2023, totaled \$42,842. The contract also recognizes certain management services may be eligible for grant reimbursement which can also be billed at a rate of \$175 per hour, not to exceed \$350,000 per fiscal year. Management expenditures relating to activities eligible for grant reimbursement for the year ended September 30, 2023, totaled \$241,635. In January 2021, the management contract with Balmoral was extended through April 30, 2023, with an additional one-year automatic renewal period through April 30, 2024.

Procurement Services

The Consortium has an interlocal agreement with Leon County, Florida, to provide competitive procurement services, as needed. The level of effort related to these services was not significant during the year ended September 30, 2023, and as such, no expenditures or related revenue have been recorded.

Fiscal Management Services

The Consortium has an interlocal agreement with the Leon County Clerk of Circuit Court and Comptroller (Clerk) to provide distribution and paying agent services for payment of costs and expenditures associated with developing and implementing the SEP. Effective in March 2019, the Clerk performs these responsibilities for three basis points on each transaction processed. For the year ending September 30, 2023, the Clerk charged the Consortium \$858 for processing services under this agreement.

Grants

Amounts received or receivable from the Restoration Council are subject to audit and adjustment. If expenditures are disallowed as a result of these audits, the claim for reimbursement to the Restoration Council would become a liability of the Consortium. In the opinion of management, any such adjustments would not be significant, and therefore, do not have a material adverse effect on the Consortium's financial position.

As of September 30, 2023, the Consortium had outstanding federal grant awards of approximately \$49.3 million for approved projects by the Restoration Council. The federal grant funding is not available to the Consortium until expenditures are incurred and, therefore, are not recorded as receivables. The grant expenditures are subject to audit to ensure compliance with conditions precedent to the awarding of grant funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material by management.

The schedule that follows shows the amounts expended and the funding remaining for open grant awards as of September 30, 2023:

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

Grantee(s)	Federal Award Identification Number	Award Amount	Funds Expended to Date	Award Funds Remaining
OPEN GRANTS				
Gulf	GNSSP20FL0010	\$ 3,065,101	\$ 152,175	\$ 2,912,926
Hillsborough	GNSSP20FL0012	5,132,239	3,334,756	1,797,483
Levy	GNSSP20FL0013	2,080,054	35,837	2,044,217
Adaptive planning	GNSSP21FL0020	604,602	161,743	442,859
Manatee	GNSSP21FL0022	689,687	21,260	668,427
Pinellas	GNSSP21FL0023	2,085,262	620,181	1,465,081
Escambia	GNSSP21FL0025	1,121,773	366,027	755,746
Manatee	GNSSP21FL0028	344,885	17,685	327,200
Franklin	GNSSP21FL0029	6,107,397	6,029,675	77,722
Citrus	GNSSP22FL0034	5,997,571	259,046	5,738,525
Santa Rosa	GNSSP22FL0036	3,460,834	73,651	3,387,183
Taylor	GNSSP22FL0037	1,075,161	12,320	1,062,841
Wakulla	GNSSP22FL0039	7,721,441	16,523	7,704,918
Okaloosa	GNSSP22FL0040	1,431,554	14,180	1,417,374
Pasco	GNSSP22FL0041	5,090,277	13,982	5,076,295
Manatee	GNSSP22FL0044	2,039,612	13,248	2,026,364
Taylor	GNSSP23FL0046	383,665	8,665	375,000
Citrus	GNSSP23FL0047	1,246,249	9,540	1,236,709
Pinellas	GNSSP23FL0048	3,374,518	6,233	3,368,285
Taylor	GNSSP23FL0049	621,686	7,190	614,496
Gulf	GNSSP23FL0050	889,017	19,416	869,601
Okaloosa	GNSSP23FL0052	1,620,624	11,594	1,609,030
Okaloosa	GNTSP20FL0090	1,066,139	465,029	601,110
Pinellas	GNTSP20FL0091	1,237,121	1,040,483	196,638
Sarasota	GNTSP20FL0092	1,107,192	21,611	1,085,581
Collier	GNTSP20FL0097	820,516	253,853	566,663
Bay	GNTSP20FL0098	545,139	304,254	240,885
Walton	GNTSP20FL0105	679,029	19,649	659,380
Citrus	GNTSP20FL0107	695,024	181,010	514,014
Hernando	GNTSP20FL0110	778,622	342,793	435,829
TOTALS		<u>\$ 63,111,991</u>	<u>\$ 13,833,609</u>	<u>\$ 49,278,382</u>

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

5. CONCENTRATIONS

For the fiscal year ended September 30, 2023, \$3,135,485, or approximately 39%, of the Consortium's revenues were derived from federal grants awarded by the Restoration Council. The Consortium is fiscally dependent upon the federal grant funding from the Restoration Council to carry out its strategic objectives.

6. CLASS ACTION SETTLEMENT

In August 2023, the final amended settlement order for closure of claims and punitive damages related to a class action lawsuit against the responsible parties for the *Deepwater Horizon* oil spill was executed by the U.S. District Court for the Eastern District of Louisiana. Under the terms of the settlement, the remaining settlement proceeds to be paid by Halliburton Energy Services, Inc. (HESI) and Transocean were allocated to the states disproportionately affected by the incident. The Consortium, as the designated agency for the State of Florida, received 17% of settlement proceeds, which totaled \$4,725,817. The settlement proceeds and any interest accrued thereon are to be utilized for purposes of Gulf Coast restoration and recovery on projects and programs approved and implemented pursuant to the RESTORE Act and the Spill Impact Component thereof.

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REQUIRED SUPPLEMENTARY INFORMATION

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GULF CONSORTIUM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Planning grants	\$ 232,470	\$ 232,470	\$ 37,347	\$ (195,123)
State expenditure plan (SEP) grants	100,963,600	100,963,600	3,098,138	(97,865,462)
Charges for services:				
Membership assessments	124,120	124,120	124,122	2
Fines and forfeitures:				
Class action settlement	-	-	4,725,817	4,725,817
TOTAL REVENUES	<u>101,320,190</u>	<u>101,320,190</u>	<u>7,985,424</u>	<u>(93,334,766)</u>
EXPENDITURES				
Membership expenditures				
Management fees	65,450	65,450	42,842	22,608
Legal and other professional fees	20,000	20,000	6,405	13,595
Meetings and other operating expenditures	20,215	20,215	10,378	9,837
Total membership expenditures	105,665	105,665	59,625	46,040
Grant expenditures				
Planning grants	108,504	108,504	37,347	71,157
SEP grants	50,481,800	50,481,800	3,098,138	47,383,662
Total grant expenditures	50,590,304	50,590,304	3,135,485	47,454,819
TOTAL EXPENDITURES	<u>50,695,969</u>	<u>50,695,969</u>	<u>3,195,110</u>	<u>47,500,859</u>
EXCESS OF REVENUES OVER EXPENDITURES	50,624,221	50,624,221	4,790,314	(45,833,907)
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>46,682</u>	<u>46,682</u>
FUND BALANCE AT END OF YEAR	<u>\$ 50,624,221</u>	<u>\$ 50,624,221</u>	<u>\$ 4,836,996</u>	<u>\$ (45,787,225)</u>

See notes to the required supplementary information.

**GULF CONSORTIUM
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Budgetary Requirement and Basis

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Consortium Board's policy. The budgeted revenues and expenditures reflect all amendments approved by the Board. Budgetary control is required at the fund (or grant) level. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

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COMPLIANCE SECTION

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**GULF CONSORTIUM
OTHER SUPPLEMENTARY INFORMATION
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS
RELATED TO THE *DEEPWATER HORIZON* OIL SPILL
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

<u>Source</u>	<u>Amounts Received in the 2022-23 Fiscal Year</u>	<u>Amounts Expended in the 2022-23 Fiscal Year</u>
Gulf Coast Restoration Trust Fund Oil Spill Impact Program ¹	<u>\$ -</u>	<u>\$ -</u>

¹ NOTE: This does not include funds related to the *Deepwater Horizon* oil spill that are considered federal awards. The schedule of expenditures of federal awards includes \$3,132,614 of expenditures of federal awards (included for Assistance Listing No. 87.052), that are related to the *Deepwater Horizon* oil spill.

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INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS RELATED TO THE *DEEPWATER HORIZON* OIL SPILL

To the Honorable Members of
Gulf Consortium

We have audited the financial statements of the Gulf Consortium (the Consortium) as of and for the year ended September 30, 2023, and have issued our report thereon dated **DATE**, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The Schedule of Receipts and Expenditures of Funds related to the *Deepwater Horizon* Oil Spill, as listed in the table of contents, is presented for the purpose of additional analysis as required by Chapter 288.8018, Florida Statutes, and Chapter 10.557(3)(f), *Rules of the Auditor General*, and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Fort Walton Beach, Florida
DATE

**GULF CONSORTIUM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Federal Agency / Program Title	Assistance Listing Number	Contract/Grant Number	Expenditures	Passed Through to Subrecipients
Gulf Coast Ecosystem Restoration Council (RESTORE Council)				
Direct programs				
Oil Spill Impact Program	87.052	GNSSP20FL0010	\$ 18,816	\$ 12,914
Oil Spill Impact Program	87.052	GNSSP20FL0012	18,793	-
Oil Spill Impact Program	87.052	GNSSP20FL0013	9,609	-
Oil Spill Impact Program	87.052	GNSSP21FL0020	37,348	-
Oil Spill Impact Program	87.052	GNSSP21FL0022	3,038	-
Oil Spill Impact Program	87.052	GNSSP21FL0023	603,780	597,199
Oil Spill Impact Program	87.052	GNSSP21FL0025	351,500	348,287
Oil Spill Impact Program	87.052	GNSSP21FL0028	6,084	-
Oil Spill Impact Program	87.052	GNSSP21FL0029	1,004,808	1,000,000
Oil Spill Impact Program	87.052	GNSSP21FL0030	2,714	-
Oil Spill Impact Program	87.052	GNSSP22FL0034	243,922	240,884
Oil Spill Impact Program	87.052	GNSSP22FL0036	62,909	44,260
Oil Spill Impact Program	87.052	GNSSP22FL0037	1,676	-
Oil Spill Impact Program	87.052	GNSSP22FL0039	3,807	-
Oil Spill Impact Program	87.052	GNSSP22FL0040	3,195	-
Oil Spill Impact Program	87.052	GNSSP22FL0041	3,801	-
Oil Spill Impact Program	87.052	GNSSP22FL0044	4,060	-
Oil Spill Impact Program	87.052	GNSSP23FL0046	8,665	-
Oil Spill Impact Program	87.052	GNSSP23FL0047	9,540	-
Oil Spill Impact Program	87.052	GNSSP23FL0048	6,233	-
Oil Spill Impact Program	87.052	GNSSP23FL0049	7,190	-
Oil Spill Impact Program	87.052	GNSSP23FL0050	19,416	5,800
Oil Spill Impact Program	87.052	GNSSP23FL0052	11,594	-
Oil Spill Impact Program	87.052	GNTSP20FL0090	186,230	183,374
Oil Spill Impact Program	87.052	GNTSP20FL0091	3,240	-
Oil Spill Impact Program	87.052	GNTSP20FL0092	5,519	-
Oil Spill Impact Program	87.052	GNTSP20FL0097	69,283	61,562
Oil Spill Impact Program	87.052	GNTSP20FL0098	117,853	103,125
Oil Spill Impact Program	87.052	GNTSP20FL0105	1,969	-
Oil Spill Impact Program	87.052	GNTSP20FL0107	1,882	-
Oil Spill Impact Program	87.052	GNTSP20FL0110	304,140	300,899
			<u>\$ 3,132,614</u>	<u>\$ 2,898,304</u>

See notes to the schedule of expenditures of federal awards.

GULF CONSORTIUM
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Gulf Consortium (the Consortium) under programs of the federal government for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Consortium, it is not intended to and does not present the net position or changes in net position of the Consortium.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified-accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Once an eligible project is approved for funding by the Restoration Council, revenue is recognized by the Consortium when eligible grant expenditures are incurred. Revenues and expenditures for pre-award management and administrative costs are recognized when invoiced by the contracted service provider up to the limits specified in each grant agreement.

C. DE MINIMIS INDIRECT COST RATE ELECTION

The Consortium has elected not to use the ten percent de minimis indirect cost rate, as allowed under Uniform Guidance.

**INDEPENDENT ACCOUNTANTS' REPORT ON AN EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER
10.550, RULES OF THE AUDITOR GENERAL**

To the Honorable Members of
Gulf Consortium

We have examined the Gulf Consortium's (the Consortium's) compliance with the following requirements for the year ended September 30, 2023:

- 1) Section 218.415, Florida Statutes, in regard to investments.
- 2) Section 218.8018, Florida Statutes, in regard to the *Deepwater Horizon* oil spill receipts and expenditures.

Management is responsible for the Consortium's compliance with those requirements. Our responsibility is to express an opinion on the Consortium's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Consortium complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Consortium complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the Consortium's compliance with specified requirements.

In our opinion, the Consortium complied, in all material respects, with the specified requirements for the year ended September 30, 2023.

Fort Walton Beach, Florida
[REPORT DATE]

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

To the Honorable Members of
Gulf Consortium

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of the Gulf Consortium (the Consortium), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Consortium’s basic financial statements, and have issued our report thereon dated [REPORT DATE].

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Consortium’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 Consortium’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Consortium’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 Consortium’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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Consortium'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 Consortium'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 Consortium's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fort Walton Beach, Florida
[REPORT DATE]

DRAFT

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE
FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Members of
Gulf Consortium

Report on Compliance for the Oil Spill Impact Program

Opinion on the Oil Spill Impact Program

We have audited the Gulf Consortium’s (the Consortium) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Consortium’s Oil Spill Impact Program (the Program) for the year ended September 30, 2023.

In our opinion, the Consortium complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Program for the year ended September 30, 2023.

Basis for Opinion on the Oil Spill Impact Program

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

We are required to be independent of the Consortium 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 federal program. Our audit does not provide a legal determination of the Consortium’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 Consortium’s federal programs.

Auditors' 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 Consortium'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 generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance 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 Consortium's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, 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 Consortium'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 Consortium's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Consortium'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 federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Fort Walton Beach, Florida
[REPORT DATE]

DRAFT

**GULF CONSORTIUM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None Reported
- Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major program(s):

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None Reported

Type of auditors' report issued on compliance for federal program: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? ___ Yes X No

Identification of major program:

Name of Federal Program or Cluster	Assistance Listing Num.
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052
Dollar threshold used to distinguish between type A and type B programs for federal awards?	\$750,000
Auditee qualified as low-risk auditee for federal awards?	<u> X </u> Yes <u> ___ </u> No

**GULF CONSORTIUM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

B. FINANCIAL STATEMENT FINDINGS

There were no findings which were required to be reported in accordance with government auditing standards generally accepted in the United States of America.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings which were required to be reported in accordance with the Uniform Guidance.

DRAFT

MANAGEMENT LETTER

To the Members of the Gulf Consortium

Report on the Financial Statements

We have audited the financial statements of the Gulf Consortium (the Consortium), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements and have issued our report thereon dated [REPORT DATE]

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, And the Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for the Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated [REPORT DATE], should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. There were no findings or recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The official title and legal authority for the Consortium has been disclosed in Note 1 to the financial statements. The Consortium has no component units.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether the Consortium has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, the results of our tests did not indicate that the Consortium met any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the Consortium's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not make any such recommendations to improve financial management.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Consortium reported:

- a. No Consortium employees were compensated in the last pay period of the district's fiscal year.
- b. No independent contractors to whom nonemployee compensation was paid in the last month of the Consortium's fiscal year.
- c. No compensation was earned by or awarded to employees, whether paid or accrued, regardless of contingency.
- d. No compensation was earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.
- e. No construction projects with a total of at least \$65,000 were approved by the Consortium that are scheduled to begin on or after October 1 of the fiscal year being reported.
- f. No budget variances or amendments based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported.

The specific information reported in the previous paragraph has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of This Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Fort Walton Beach, Florida

[REPORT DATE]

DRAFT

AGENDA ITEM 7

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

Agenda Item 7

Review of Annual Cap and Management Actual Hours vs Contracted Hours

Statement of Issue:

Presentation of total actual management hours for grant and general administration compared to contracted hours. The contract includes annual caps, which are required to be reviewed annually.

Background:

Management hours are contracted based on expected effort to handle the general administrative needs of the Consortium. This is funded through the County assessments. There are also contracted hours for expected management hours for the administration of grants; these costs are part of the grant funding.

Update:

Provided are graphs to compare the actual hours to contracted hours for both. This is the second completed contractual year, so the following information is provided:

- We have successfully decreased admin costs to the Counties by 6%, following a 25% decrease last year.
- Adaptive planning admin hours are up 19%, due to increased grant activity (reporting, required subrecipient monitoring, etc.).
- The number of invoices has remained roughly the same from the prior year at a total of 80, or about 7 per month.
- Due to cost increases, costs are up 7.5%.

Note, contractual caps do not align perfectly with budgeted amounts, since the contract dates do not align with fiscal years. The budget is sufficient to cover costs regardless of the contract caps.

The number of grant reports and invoices has increased from the prior year, due to increased grant activity, and while invoicing activity was essentially flat, reporting activity will continue to increase as each new grant requires regular financial and performance reporting as well as other compliance monitoring.

The contract allows for Executive Committee to approve increases up to 20% on the hourly rate and cap. In 2023, no increase was requested. For the upcoming contract year, an increase of 7.5% is requested due to cost increases, to ensure caps are not exceeded.

Attachments:

- a) Grant actual hours compared to contracted hours.

Staff Recommendation:

- 1) Approve as proposed for inclusion in Board Consent Agenda
- 2) Other Board Direction.

Prepared by:

Valerie Seidel
The Balmoral Group
On: June 4, 2024

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

AGENDA ITEM 8

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 8
Initiate Audit Procurement**

Statement of Issue:

The current contract for required annual audits expires this year, and requires a new procurement. This request is to authorize staff Counsel and Management to prepare the RFP for the Consortium audit.

Background:

Financial and Single Audits must be completed for the Consortium to be in compliance with both state and federal requirements..

Summary:

Staff Counsel will prepare a Request for Proposal to be reviewed and released following the Gulf Consortium Board Meeting in September.

Attachments:

- Audit RFP

Options:

- Approve this request for full Board review
- Committee direction

Prepared by:

Dan Dourte
The Balmoral Group, Grants Administrator
On: June 4, 2024



**REQUEST FOR PROPOSALS
AUDIT SERVICES**

Notice is hereby given that the Gulf Consortium will be receiving sealed responses to Request for Proposals at the offices of The Balmoral Group, 165 Lincoln Avenue, Winter Park, FL 32789, for audit services.

The Gulf Consortium (the "Consortium") intends to enter into an agreement with an experienced and qualified professional firm to provide audit services pursuant to applicable laws, rules and regulations governing the Consortium. The audit is to be conducted in accordance with, but not necessarily limited to, the Single Audit Act Amendments of 1996, 31 U.S.C. s. 7501 et. seq., section 215.97, Florida Statutes (the "Florida Single Audit Act"), regulations adopted by the Auditor General of the State of Florida, and 2 CFR Part 200, including an audit report consisting of a financial audit of the Consortium, an audit of financial accounts and records, including all reports, management letters, and financial statements that may be required, and other audit services requested by the Consortium.

REQUEST FOR PROPOSALS DUE DATE: 4:00 p.m., EST, October 15, 2024
GULF CONSORTIUM
THE BALMORAL GROUP
165 LINCOLN AVENUE
WINTER PARK, FLORIDA 32789

Documents can be obtained by contacting the Consortium Manager at (407) 629-2185 or gulf.consortium@balmoralgroup.us. Documents can also be found online at www.gulfconsortium.org.

Notice(s) provided on the Gulf Consortium website at: www.gulfconsortium.org

GULF CONSORTIUM

Request for Proposals for Audit Services

The Gulf Consortium, a political entity created by Interlocal Agreement among Florida's 23 Gulf Coast counties (the "Consortium"), is seeking to select an auditor or auditing firm ("Auditor") that clearly demonstrates the highest level of ability and proven reliability to perform the auditing services for the Consortium as required by this RFP. Such auditing services will include an audit report, consisting of a financial audit of the Consortium, an audit of its financial accounts and records, including all reports, management letters, and any other auditing services that may be required by the Consortium.

NOTICE: Applicants or bidders for a lower tier covered transaction (except procurement contracts for goods and services under \$25,000 not requiring the consent of a Council official) are subject to 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)." In addition, applicants or bidders for a lower tier covered transaction for a subaward, contract, or subcontract greater than \$100,000 of Federal funds at any tier are subject to relevant statutes, including among others, the provisions of 31 U.S.C. 1352, as well as the common rule, "New Restrictions on Lobbying," published at 55 FR 6736 (February 26, 1990), including definitions, and the Office of Management and Budget "Governmentwide Guidance for New Restrictions on Lobbying," and notices published at 54 FR 52306 (December 20, 1989), 55 FR 24540 (June 15, 1990), 57 FR 1772 (January 15, 1992), and 61 FR 1412 (January 19, 1996).

SECTION 1. INTRODUCTION AND BACKGROUND

In response to the explosion of and the resulting oil spill from the Deepwater Horizon offshore drilling rig in the Gulf of Mexico on April 20, 2010 (Deepwater Horizon Oil Spill), the United States Congress enacted the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) (title 1, subtitle F of Public Law 112-141) as part of the Moving Ahead for Progress in the 21st Century Act. The RESTORE Act was passed by Congress on June 29, 2012 and signed into law on July 6, 2012 by the President.

The RESTORE Act establishes funding from a portion of the administrative and civil penalties under the Federal Water Pollution Control Act from the Deepwater Horizon Oil Spill for the ecological and economic restoration of the Gulf Coast region. The RESTORE Act directs funding for the development and implementation of the State Expenditure Plan in each of the five Gulf Coast States.

The Gulf Consortium is a public entity created in October 2012 by Interlocal Agreement among Florida's 23 Gulf Coast counties, from Escambia County to Monroe County.

Florida's 23 Gulf Coast Counties formed the Consortium to meet requirements of the RESTORE Act for Florida to develop and implement a State Expenditure Plan. The Consortium Board of Directors ("Board") consists of one representative from each county

government. As a public entity, the Consortium must meet all government transparency requirements in Florida, including open public records and meetings, ethics and state auditing obligations.

The Consortium has no paid staff; however there are currently three vendors with professional services contracts who work for or on behalf of the Gulf Consortium. These vendors are compensated from a combination of dues collected from the 23 member counties of the Consortium and/or grant funds approved by the Restore Council.

SECTION 2. PERFORMANCE SPECIFICATIONS

2.1. Scope of Work

Financial Statements

The Consortium desires the auditor to express an opinion on the fair presentation of its basic financial statements, including any fund financial statements, in conformity with accounting principles generally accepted in the United States.

A Single Audit in accordance with the Federal and State Single Audit Acts and related professional guidance shall be conducted for each fiscal year, irrespective of actual grant award expenditures. The Auditor shall prepare any required letters, schedules, and forms related to this audit.

Internal Controls

In connection with the audit of the financial statements, the auditor shall consider, test, and report on internal controls and perform tests and report on compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards.

2.2. Compliance Requirements

The audit, of the Consortium, must be performed in compliance with the requirements of all of the following:

- Section 215.97, Florida Statutes
- Rules adopted by the Auditor General, relating to local government audits
- Generally Accepted Auditing Standards and generally Accepted Accounting Principles under Chapter 473, Florida Statutes
- Government Auditing Standards
- 2 CFR Part 200
- Single Audit Act of 1996
- State of Florida Single Audit Act

2.3. Project Timeline

A final and complete opinion letter on the financial statements taken as a whole, as well as any additional letters required by the United States or State of Florida Single Audit Act,

shall be delivered to the Gulf Consortium no later than June 15 following the end of the fiscal year under audit.

2.4. Deliverable Copies

The Auditor will provide two (2) paper copies and electronic copies of the final combined audit report, which shall include the individual audits, management letters, and any reports on internal control for the Consortium, and Federal/State Financial Assistance reports.

2.5. Report Preparation

The Auditor will prepare a Single Audit Report for the Consortium.

1. A report of the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with government auditing standards.
3. A report on compliance with requirements applicable to each major Federal Program and on internal control over compliance in accordance with OMB Super Circular and Chapter 10.550, Rules of the Auditor General.
4. A full and complete management letter which shall identify any management weaknesses observed, assess their effect on financial management, and propose steps to correct or eliminate those weaknesses.
5. Any other required reports and schedules required by the Federal and State Single Audit Acts.

2.6. Final Presentations

The partner in charge of the audit and the audit manager must be available to attend an Executive Committee and a Board of Directors meeting of the Consortium, as requested, to discuss the Audit.

2.7. Final Conference

The Auditor will conduct an exit conference with the Consortium or its designee.

SECTION 3. TERM OF CONTRACT

The Consortium anticipates that the term of the agreement will be for three (3) years with the options of two (2) additional one-year renewal periods, unless earlier terminated by either party upon thirty (30) days' written notice.

SECTION 4. INSTRUCTIONS FOR PROPOSALS

4.1. Transmission and Receipt of Proposals.

Email the proposal to:

gulf.consortium@balmoralgroup.us – Please include “Audit RFP” in the subject line

Or deliver, or mail the proposal to:

Gulf Consortium
Attn: Audit Committee
165 Lincoln Avenue
Winter Park, FL 32789

Proposals must be RECEIVED **no later than 4:00 p.m. on Friday, October 15, 2024.**

4.2. Proposal Contents.

The proposal must include:

- a. Description and history of the audit firm. **(1 page)**
- b. Relevant prior governmental auditing experience **(1 page)**
- c. No less than three (3) references for which the firm has performed similar work. **Must use “Reference Form” provided below.**
- d. Staff available for this audit, including identification and qualifications of all personnel who will be assigned to this audit. Include all of the following for each person assigned to this Audit: **(3 pages altogether for this section)**
 - i. Names and government audit experience of the partner in charge, the manager, and other supervisory personnel, as applicable, of the Audit.
 - ii. Certification, licensure and CPE training, including copies of all licenses of all persons who are authorized to operate as Independent CPAs under Chapter 473, Florida Statutes, and statements as to whether continuing education requirements of the Florida Institute of CPA’s relating to governmental audits have been satisfied.
 - iii. Information on membership in professional societies.
 - iv. Background and qualifications of all other professional audit or other staff assigned to the Audit that are not included in any of the above.
- e. A tentative schedule for performing the key phases of the Audit. **(1 Page)**
- f. Detailed information on the auditor’s proposed audit procedures to be followed and anticipated audit approach. **(3 Pages)**
- g. Schedule of fees/hourly rates for personnel to be assigned to this audit and anticipated hours for each member of such personnel to be devoted to this Audit.

In the alternative, proposers may provide a lump sum fee for performing the requested auditing services, plus a schedule of fees/hourly rates for personnel to be assigned to the audit that may be used for any additional services. Also include fee structure and actual charges for previous audits performed for other local governments of similar size and budget for the past three years.

- h. A statement acknowledging the firm has sufficient staff and availability to meet or exceed the performance specifications in Section 2 above.
- i. A copy of the firm's latest Peer Review Report.
- j. Acknowledgement of receipt of any addenda issued.
- k. Signed copy of Exhibit A, General Grant Funding Special Proposal Conditions. **(Form attached)**
- l. Provide details of pending litigation against your firm or any members of your personnel in their capacity as members, associates or employees of your firm.
- m. Disclose any past, current, or pending disciplinary action against your firm or any of your personnel by the Florida State Board of Accountancy or any other agency.

The proposal shall be no longer than 12 pages. The 12-page maximum does not include the Reference Form or the Statement on Public Entity Crimes,

SECTION 5. EVALUATION PROCEDURES

The Auditor Selection Committee ("Selection Committee") is composed of 4 members. Each Selection Committee member will individually evaluate proposals based on a weighted score point formula. The Selection Committee will rank and recommend to the Gulf Consortium, in order of preference, firms to be deemed the most highly qualified to perform the required services after considering the factors contained in this RFP.

The factors to be considered by the Selection Committee in evaluating proposals are:

- Government audit experience, including grant audits (25 pts)
- Professional ability of personnel to be assigned to the Audit (20 pts)
- Ability to furnish the required service, including audit approach (20 pts)
- Client references (20 pts)
- Price/Fees (15 pts)

For scoring price/fees, the lowest price proposal shall receive the maximum score of 15 points. All other proposals shall be assigned a score based on the ratio of that proposal's price in relation to the lowest price. The ratio will be multiplied by the maximum score assigned for the pricing criteria (15 points). For example:

Lowest price \$10 – Assigned maximum score of 15 points.

Next lowest price \$11 – 10 divided by 11 equals 0.9. 15 multiplied by 0.9 equals 13.5 points.

The Selection Committee will evaluate each proposal, based on the proposal document submitted, and how those met the criteria and requirements of this RFP.

Note: If the Selection Committee cannot recommend a firm based solely off the document submissions, it reserves the option to create a short-list of the top ranked proposals and conduct interviews virtually. Selection Committee members may revise their scoring/ranking of responsive firms following completion of the interview process. Following completion of the interview process, the Selection Committee will then rank and recommend to the Consortium Board, in order of preference, firms to be deemed the most highly qualified to perform the required services.

The final decision and award of a contract pursuant to this RFP will be made by the Consortium Board.

SECTION 6. MISCELLANEOUS PROVISIONS

6.1. Proposal Expense

The Consortium will not be liable for any expenses or reimbursement to any firm for costs or expenses incurred in connection with preparation of a response to this RFP.

6.2. Deadline Consequences

Proposals received after the established deadline will not be opened. A proposer may withdraw its proposal by notifying the Consortium in writing at any time prior to the due date. Proposals not so withdrawn will, upon opening, constitute an irrevocable offer for a period of 120 days to provide the Consortium the services set forth in this RFP until the Consortium has selected one of the proposers. Upon opening, proposals become public records and shall be subject to public disclosure in accordance with Chapter 119, Florida Statutes.

6.3. Public Entity Crime Statement

In accordance with section 287.133(2)(a), Florida Statutes, "A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not

submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, for Category Two, for a period of 36 months from the date of being placed on the convicted vendor list.” **By submission of a proposal in response to this RFP, the Proposer certifies compliance with the above requirements as stated in section 287.133, Florida Statutes.**

6.4. Reservation of Rights

The Consortium reserves the right to accept or reject any and/or all proposals to this RFP, to waive irregularities and technicalities, and to request resubmission. The Consortium retains the right to request additional information from any proposer; failure to provide such requested information may result in rejection of the proposal. The Consortium reserves the right to keep proposals submitted and use ideas from them. Any sole response received may or may not be rejected by the Consortium, depending on available competition and timely needs of the Consortium. The Selection Committee and the Consortium Board shall be the sole judges of the proposals and the resulting agreement that is in its best interest, and its decision shall be final.

6.5. Minority Businesses

The Consortium, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 and the regulations of the U.S. Department of Commerce issued pursuant to such Act, hereby notifies all proposers that it will affirmatively ensure that in any agreement entered into pursuant to this RFP, minority business enterprises will be afforded full opportunity to submit responses to this RFP and will not be discriminated against on the grounds of race, color or national origin in consideration for an award.

6.6. Non Discrimination

All proposers are hereby notified that the selected auditor will comply with the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act and the Florida Civil Rights Act, all as amended. Specifically, by submitting a proposal, each proposer agrees that:

- No person will, on the grounds of race, color, sex, religion, age, disability, national origin or marital status, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program, activity or service funded through an agreement entered into as a result of this RFP and the proposal submitted.
- The proposer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, disability, national origin or marital status. The proposer agrees to post in a conspicuous place, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- The proposer will, in all solicitations or advertisements regarding program activities, services provided or applications for employment, state that all

qualified applicants will receive consideration for services or employment without regard to race, color, religion, sex, age, disability, national origin or marital status.

- The Consortium may require the selected auditor to submit reports as may be necessary to indicate non-discrimination. Consortium officials will be permitted access to the Auditor's books, records, accounts and other sources of information and its facilities as may be pertinent to ascertain compliance with non-discrimination laws.

It is expressly understood that the Consortium will have the right to terminate any agreement entered into as a result of this RFP and the proposal submitted thereto upon receipt of evidence of discrimination by the Auditor.

6.7. Indemnification

As part of any agreement that may be entered into as a result of this RFP, the Auditor will indemnify, save and hold harmless the Consortium and all of its officers, agents, employees, contractors or volunteers from all suits, actions, claims, demands and liability of any nature whatsoever arising out of, because of, or due to the breach of the agreement by the Auditor or its subcontractors, agents, employees or volunteers, or due to any negligent act, or occurrence of omission or commission of the auditor, its subcontractors, agents, employees or volunteers. Neither the Auditor nor any of its subcontractors, agents, employees or volunteers will be liable under this paragraph for damages arising out of injury or damage to persons or property directly caused or resulting from the sole negligence of the Consortium or any of its officers, agents, employees, contractors or volunteers.

SECTION 7. INSURANCE REQUIREMENTS

Before entering into an agreement with the Consortium, the Auditor will be required to provide Certificates of Insurance showing that the Auditor has insurance policies in coverages and limits required below from companies authorized to do business in the State of Florida, with a rating of "A" or better. Each policy required below must require that thirty (30) days prior to expiration, cancellation, non-renewal or any material change in coverages or limits, written notice thereof must be given to Consortium. Each Certificate of Insurance will be on a standard ACORD form, listing coverages and limits, expiration dates, terms of policies and all endorsements, and will include the RFP/project name on the Certificate. Each Certificate of Insurance, which is allowed by law to carry an additional named insured, will show "Gulf Consortium, a public entity created in October 2012 by Interlocal Agreement among Florida's 23 Gulf Coast counties, and its officers, agents, employees, and volunteers," as additional named insured. Any and all deductibles to any insurance policy will be the responsibility of the Auditor. Coverages and limits for the insurance required herein are as follows:

- A. Workers' Compensation:** Coverage to apply for all employees for Statutory Limits in compliance with the applicable state and federal laws. The policy must include Employers' Liability with a limit of \$300,000 each accident.
- B. Professional Liability Insurance:** Coverage of a minimum one million dollars (\$1,000,000) in coverage for this project.
- C. Public Liability Insurance:** Policy must include bodily injury and property damage, Combined Single Limits (CSL) of \$300,000 minimum.
- D. Comprehensive General Liability Insurance:** Policies shall include, but not be limited to, Independent Contractor, Contractual, Premises/Operations, Products/Completed Operations and Personal Injury covering liability assumed under indemnification provisions, with limits of liability for personal injury and/or bodily injury, including death, of not less than \$500,000, each occurrence; and property damage of not less than \$100,000, each occurrence. (Combined single limits of not less than \$500,000, each occurrence, will be acceptable unless otherwise stated). Coverage shall be on an "occurrence" basis, and the policy shall include Broad Form Property Damage coverage.
- E. Comprehensive Automobile and Truck Liability:** Policies shall cover owned, hired and non-owned vehicles with minimum limits of \$300,000 each occurrence and property damage of not less than \$100,000 each occurrence. (Combined single limits of not less than \$500,000 each occurrence will be acceptable unless otherwise stated). Coverage shall be on an "occurrence basis" such insurance to include coverage for loading and unloading hazards.

SECTION 8. NEGOTIATION AND AWARD OF CONTRACT

The highest-ranked qualified firm recommended by the Selection Committee shall be presented to the Consortium Board for consideration of the award of a contract. If the Consortium Board chooses not to select the highest-ranked qualified firm as recommended by the Selection Committee, it may select another firm with which to negotiate a contract. In such event, the Consortium must document, in its public records, the reason for not selecting the highest-ranked qualified firm. Should the Consortium be unable to negotiate a contract with the selected firm, negotiations with that firm will be formally terminated and the Consortium will then negotiate with the next firm selected by the Consortium, and the process will continue until a contract is successfully negotiated.

SECTION 9. DEBARMENT AND SUSPENSION.

The Proposer must certify to the best of its knowledge and belief, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.

SECTION 10. AWARD OF RFP, NOTICE OF INTENDED DECISION AND PROTEST.

An award will be made to the responsive, responsible Proposer who ranks highest in the evaluation process, unless otherwise stated elsewhere in this document. The Consortium reserves the right to waive any informality in Proposals and to award a Proposal in whole or in part when either or both conditions are in the best interest of the Consortium.

1. Notice of the intended decision will be posted on the Gulf Consortium website at: www.gulfconsortium.org for a period of seventy-two (72) consecutive hours, which does not include weekends or County observed holidays. Any Proposer who desires to protest the intended decision must file a notice of intent to protest in writing within seventy-two (72) hours after the posting of the notice. Any award recommendation may be protested on the grounds of irregularities in the specifications, solicitation procedure, or the evaluation of the solicitation. Such notice of intent of solicitation protest shall be made in writing to Lynn Hoshihara, Gulf Consortium General Counsel, 1500 Mahan Drive, Ste 200, Tallahassee, FL 32308 or lhoshihara@ngnlaw.com.
2. A Protestor shall file a formal written bid protest within 3 days after the date in which the notice of intent of bid protest has been submitted. Failure to file a notice of intent of protest or failure to file a formal written protest shall constitute a waiver of all rights granted under this section. The Proposer shall be responsible for inquiring as to any and all award recommendation and postings.
3. Should concerns or discrepancies arise during the solicitation process, Proposers are encouraged to contact the General Counsel prior to the scheduled solicitation opening. Such matters will be addressed and remedied if necessary prior to a solicitation opening or award whenever practically possible. **Proposers are not to contact any Selection Committee or Gulf Consortium Board member regarding this procurement.**

SECTION 11. ADDITIONAL INFORMATION

The Consortium will not respond to in person oral inquiries. Proposers may submit written, emailed, or telephonic inquiries regarding this RFP to the Consortium Manager at (407) 629-2185 or gulf.consortium@balmoralgroup.us. The Consortium will respond to written or emailed inquiries, if those inquiries are received before 4:00 PM on October 4, 2024.

The Consortium will record its responses to inquiries and any supplemental instructions in the form of written addenda and will send written addenda to all proposers who were sent the RFP. Any supplemental information will be posted on the Gulf Consortium’s website as well. It is the responsibility of the proposer, before submitting a proposal, to contact the Gulf Consortium Manager to determine if addenda were issued, acknowledging and incorporating them into its proposal

**PROPOSED TIME SCHEDULE FOR SELECTION OF AUDITOR
(Dates and Times are estimated and may be subject to change)**

Solicitation Release	4:00 PM	September 20, 2024
Question and Answer Ends	4:00 PM	October 4, 2024
Deadline for Submission of Proposals	4:00 PM	October 15, 2024
Auditor Selection Committee Meeting	1:00 PM	week of November 4 th
Gulf Consortium Board of Directors Meeting To Consider Award of Contract	1:00 PM	November 18, 2024

The Consortium may continue negotiations to a future date if necessary

EXHIBIT A
GENERAL GRANT FUNDING SPECIAL PROPOSAL CONDITIONS

This services to be performed under the contract awarded pursuant to this solicitation are fully or partially funded by Federal grants. By submitting a proposal in response to this RFP, all Proposers agree to comply with the following:

1. **Drug Free Workplace Requirements:** Drug-free workplace requirements in accordance with Drug Free Workplace Act of 1988 (Pub L 100-690, Title V, Subtitle D) All contractors entering into Federal funded contracts over \$100,000 must comply with Federal Drug Free workplace requirements as Drug Free Workplace Act of 1988.

2. **Contractor Compliance:** The contractor shall comply with all uniform administrative requirements, cost principles, and audit requirements for federal awards.

3. **Conflict of Interest:** The contractor must disclose in writing any potential conflict of interest to the Consortium or pass-through entity in accordance with applicable Federal policy.

4. **Mandatory Disclosures:** The contractor must disclose in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

5. Utilization of Small and Minority Businesses, Women's Business Enterprises and Labor Surplus Area Firms:

The Consortium supports diversity in its procurement program and requires that all subcontracting opportunities afforded by this Agreement embrace and encourage diversity. The Contractor's award of subcontracts should reflect the diversity of the citizens of the State of Florida. In accordance with 2 C.F.R. § 200.321, the Contractor and its subcontractors must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. The Contractor agrees to use affirmative steps, and to require its subcontractors and subcontractors to utilize affirmative steps, to ensure that minority businesses and women's business enterprises are used when possible. Such affirmative steps shall at a minimum include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, or women's business enterprises;
5. Utilizing services and assistance, as appropriate, of such organizations as the Small Business Administration, the Minority Business Development Agency of the Department of the Commerce, the Florida Department of Management Services (Office of Supplier Diversity), the Florida Department of Transportation, Minority Business Development Center, and Local Government M/DBE programs; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above in (1) through (5).

7. As used herein, the term "minority and women business enterprise" means a business at least fifty one (51) percent owned and controlled by minority group members or women. Prior to award of any subcontract under this Agreement, Consultant shall document its efforts made to comply with the requirements of this paragraph. The Consultant shall state that it is an Equal Opportunity or Affirmative Action employer in all solicitations or advertisements for subcontractors or employees who shall perform work under this Agreement.

6. Equal Employment Opportunity: During the performance of this Agreement, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

3. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

4. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

6. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

7. In the event of the Contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8. The Contractor shall include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub-Contractor or vendor. The Contractor will take such action with respect to any subcontract or

purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a sub-Contractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

7. **Davis-Bacon Act:** If applicable to this contract, the contractor agrees to comply with all provisions of the Davis Bacon Act as amended (40 U.S.C. 3141-3148). Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. If the grant award contains Davis Bacon provisions, the Consortium will place a copy of the current prevailing wage determination issued by the Department of Labor in the solicitation document. The decision to award a contract shall be conditioned upon the acceptance of the wage determination.

8. **Copeland Anti Kick Back Act:** If applicable to this contract, contractors shall comply with all the requirements of 18 U.S.C. § 874, 40 U.S.C. § 3145, 29 CFR Part 3 which are incorporated by reference to this contract. Contractors are prohibited from inducing by any means any person employed in the construction, completion or repair of public work to give up any part of the compensation to which he or she is otherwise entitled.

9. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708):** Where applicable, all contracts awarded in excess of \$100,000 that involve the employment of mechanics or laborers must be in compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

10. **Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387):** as amended—The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

11. Debarment and Suspension (Executive Orders 12549 and 12689): A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension. SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The contractor shall certify compliance. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions and subcontracts.

12. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. The contractor shall certify compliance.

13. Rights to Inventions Made under a Contract or Agreement: The Consortium, and the Federal Funding Agency, where applicable, shall hold sole rights to all inventions for any experimental, developmental, or research work performed by the Contractor and funded with Government funds through this contract.

14. Procurement of Recovered Materials: Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

15. Access to Records and Reports: Contractor will make available to the Consortium’s granting agency, the granting agency’s Office of Inspector General, the Government Accountability Office, the Comptroller General of the United States, or any of their duly authorized representatives any books, documents, papers or other records, including electronic records, of the contractor that are pertinent to the Consortium grant award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. The right also includes timely and reasonable access to the contractor’s personnel during normal business hours for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are retained.

16. Record Retention: Contractor will retain of all required records pertinent to this contract for a period of three years, beginning on the date of final payment of contract, unless otherwise specified herein.

17. Federal Changes: Contractor shall comply with all applicable Federal agency regulations, policies, procedures and directives, including without limitation those listed directly or by reference, as they may be amended or promulgated from time to time during the term of the contract.

18. Termination for Default (Breach or Cause): Contracts in excess of \$10,000 – If Contractor does not deliver supplies in accordance with the contract delivery schedule, or, if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the Consortium may terminate the contract for default. Termination shall be effected by serving a notice of termination on the contractor setting forth the manner in which the Contractor is in default. The contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract.

19. Safeguarding Personal Identifiable Information: Contractor will take reasonable measures to safeguard protected personally identifiable information and other information designated as sensitive by the awarding agency or is considered sensitive consistent with applicable Federal, state and/or local laws regarding privacy and obligations of confidentiality.

20. Prohibition on utilization of cost plus a percentage of cost contracts: The Consortium will not award contracts containing Federal funding on a cost plus percentage of cost basis.

21. Prohibition on utilization of time and material type contracts: The Consortium will not award contracts based on a time and material basis if the contract contains Federal funding.

22. Disputes: Any dispute arising under this Agreement which is not settled by Agreement of the parties may be settled by mediation or other appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Agreement, Contractor shall proceed diligently with the performance of this Agreement in accordance with the decision of the Consortium. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County.

23. Energy Policy and Conservation Act (43 U.S.C. §6201): Contracts shall comply with mandatory standards and policies relating to energy efficiency, stating in the state

energy conservation plan issued in compliance with the Energy Policy and Conservation act. (Pub. L. 94-163, 89 Stat. 871) [53 FR 8078, 8087, Mar. 11, 1988, as amended at 60 FR 19639, 19645, Apr. 19, 1995].

24. Pursuant to the Restore Council Financial Assistance Standard Terms and Conditions, the contract shall:

- a. Describe how the progress and performance of the Contractor will be monitored during and on close of the period of performance and identify who will be responsible for supervising the contract;
- b. Extend all applicable program requirements to the subrecipient;
- c. Include a requirement that the Contractor or subrecipient retain all records in compliance with 2 C.F.R. 200.333.
- d. Include a requirement that the subrecipient make available to the Council, the Treasury OIG, and the GAO any documents, papers or other records, including electronic records, of the subrecipient, that are pertinent to this award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.

25. **Safeguarding Personal Identifiable Information:** Consultant and its subcontractors will take reasonable measures to safeguard protected personally identifiable information and other information designated as sensitive by the awarding agency or is considered sensitive consistent with applicable Federal, state and/or local laws regarding privacy and obligations of confidentiality.

26. **Trafficking Victims Protection Act (2 CFR Part 175):** Contractor will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits Contractor from (1) engaging in severe forms of trafficking in persons during the period of time that the Contract issued pursuant to this procurement is in effect; (2) procuring a commercial sex act during the period of time that the Contract is in effect; or (3) using forced labor in the performance of the contracted services under this Contract. The Contract issued pursuant to this procurement may be unilaterally terminated immediately by the Consortium for Contractor violating this provision, without penalty.

27. **Domestic preferences for procurements (2 CFR 200.322).**

(a) As appropriate and to the extent consistent with law, the Contractor should, to the greatest extent practicable under a Federal award, provide a preference for the

purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

(b) For purposes of this section:

(1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

28. No Obligation By Federal Government. The Federal Government is not a party to the Agreement resulting from this procurement and is not subject to any obligations or liabilities to the Contractor, or any other party pertaining to any matter resulting from this Agreement.

As the person authorized to sign this statement, I certify that this company complies/will comply fully with the above requirements.

DATE:

SIGNATURE:

TITLE:

COMPANY:

ADDRESS:

PHONE:

EMAIL:

AGENDA ITEM 9

**Gulf Consortium Board Meeting
June 13, 2024**

**Agenda Item 9
Gulf Consortium Policy Updates**

Statement of Issue:

Presentation of revised Gulf Consortium Policy and Procedures Manuals, which have been reviewed by the Procedures Review Committee. The annual update is part of preparing the Organizational Self-Assessment update. Committee selection occurred at the February 2024 Board meeting.

Background:

In November 2018, the Board approved Gulf Consortium Policies and Procedures (collectively, the “Procedures”) covering procurement, communications, conduct, internal controls, accounting and finance, grants, and procedure review. The Procedures Review Policy provides for the annual review and update of all Consortium policies in an effort to ensure that the policies are being implemented as intended, having the desired effect, and are still relevant and current. In accordance with this requirement, in Feb 2024, the Board appointed members to the Procedures Review Committee to oversee the process of reviewing and revising the various Procedures, in coordination with the General Manager and General Counsel.

The Committee is comprised of five members:

- Michelle Metcalf (Wakulla)
- Jane Evans (Okaloosa)
- Lawanda Pemberton (Taylor)
- Lynn Hoshihara (NGN: General Counsel)

The Gulf Consortium Policy Review Committee met by phone/web on two separate occasions to review changes to the Gulf Consortium policies. At each meeting, a subset of policies was reviewed and proposed revisions were discussed. Revisions generally fell into one of three categories:

- 1) Editorial revisions to address consistency or clarity of language
- 2) Revisions to more accurately reflect actual practice, as grant applications processing has evolved for efficiency and with additional guidance and recommendations from RESTORE Council
- 3) Revisions to address statutory matters, including updates to 2 CFR Part 200, and so forth.

A summary of only the substantive changes to the various Procedures Manual is provided as follows:

Accounting and Financial Management

- AFM 1.5 - Updated language to reflect that trust fund balance is only provided by RESTORE Council annually
- AFM 1.6 – Revised language to reflect that reconciliation of non-Consortium funding occurs annually, as part of financial reporting requirements
- AFM 6.1.4 – Removed language regarding checks as Fiscal Agent account does not use checks
- AFM 6.1.6 – Added language to reflect HESI settlement funds
- AFM 6.4.3 – Added language to reflect HESI settlement funds
- AFM 6.4.7 – 6.4.11 – Removed superfluous language; language was redundant to AFM 6.1
- AFM 7.3 – Updated graphic to better reflect actual processing steps
- AFM 7.4 – Removed language referring to day of month; activity occurs whenever payment requests are received
- AFM 7.5 – Deleted graphic; appears to have been copied in incorrectly from a different policy

Communication and Public Records

- No substantive changes

Conduct

- C.4 – Voting conflicts – added language to clarify that Directors are not required to abstain from voting on grant applications or SEP Amendments for their County, that Directors should discuss perceived conflicts with General Counsel prior to the vote, and that abstention shall be reflected in the minutes.

Grants Manual

- GM 5.3 – added language updating project numbering
- GM 5.4 – added language to reflect HESI funding availability
- GM 5.4.3 – updated language to reflect frequency of grant funding reconciliation, at each draw request

Internal Controls

- IC 3.1 – added language cross-referencing subrecipient policy with regards to risk assessments and ongoing identification of risks
- IC 5.1.2 – added language to reflect that other settlement funds in addition to Pot 3 funds are also subject to Internal Controls policies
- IC 7.1 – revised language to reflect that if deficiencies in process are found, they will be reported to Finance committee and/or the Board of Directors, as deemed appropriate. Prior language indicated Audit Committee, which meets less frequently.

Procedures Review

- No substantive changes

Procurement

- No substantive changes

Subrecipient

- S 9.e., S 9.f., added language regarding additional subrecipient financial and performance monitoring, respectively, for subrecipients and/or grant projects that are identified as other than Low Risk.
- S 10.1 - Financial and Milestones Reports – removed “twice” from reporting frequency which is now annually; added language specifying that more frequent financial reporting may be required due to project or subrecipient risk.
- S 11. – Subrecipient Monitoring – added new language to call out subrecipient monitoring
- S.11.2 – Financial Oversight – added language about more frequent financial reporting that may be required based on project or subrecipient risk
- S 11.3 - Performance Reports – added similar language about more frequent performance reporting that may be required based on project or subrecipient risk
- S-10.6 Operational Self-Assessment – added language clarifying that OSA is required timely to allow risk assessment, which is prerequisite to funding
- S 11.f. Cost Analysis – added language clarifying that Subrecipients must provide sufficient documentation to support cost analysis for allowable, allocable, necessary and reasonableness of costs to be included in grant funding.

Options:

- (1) Recommend approval for full Board review of revisions to all Gulf Consortium Policy Manuals, subject to additional minor revisions to address Committee or Board comments
- (2) Other direction

Recommend: Approval of Committee’s recommendation

Attachments:

- a) Online combined policies; see button “2024 – Combined Policies redlined” at <https://www.gulfconsortium.org/policies-and-procedures>

Prepared by:

Dan Dourte
The Balmoral Group
On: June 4, 2024

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved ____; Approved as amended ____; Defeated _____.

AGENDA ITEM 10

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 10
Grant Applications**

Statement of Issue:

Reminder of upcoming grant application deadline. One grant amendment for additional funding will be reviewed and one new project application is presented.

Background:

The next recommended deadline for submission of grant application materials is 8/16/2024, to allow for staff time to prepare applications for the September 2024 Consortium Board Meeting. See project data dashboard (page navigation arrows at bottom of dashboard) for project and milestones lists:

<http://datavisual.balmoralgroup.us/GulfConsortiumProjects>. Please let us know if you have projects planned for later that could possibly start now; these can be reviewed by the Board if they are able to start sooner than originally planned.

Please consider what work you want to start in the next year; if you want Bucket 3 funded work to start by August 2024, you should start the funding application process now. Pre-award costs may be allowable but that brings some extra risk.

Reminder - all active projects can be reviewed here:

<https://datavisual.balmoralgroup.us/GulfConsortiumStoryMap>

That link includes access to all project deliverables (plans, permits, as-built documentation, etc.)

Most Recent Activity:

There is a new funding request for Bay County's project 5-2: St. Andrew Bay Stormwater Improvement Program – about \$2M requested for dirt-to-pave construction for water quality improvements (County is contributing an additional \$1.1M in co-funding). There is also a new funding request for Citrus County's project 13-5: Inshore Artificial Reef – about \$130k is requested for design and permitting of the County's inshore reef.

Attachments:

- Grant applications summary table

Options:

- Approve these funding requests for full Board review
- Committee direction

Prepared by:

Dan Dourte

The Balmoral Group, Grants Administrator

On: June 4, 2024

Project Applications/Amendments Summary Table

County	Project Name	Milestones	Metrics	Amount	Subrecipient Amount	RESTORE est. start date	End Date
Citrus	13-5: Inshore Artificial Reef Project	Design & Permitting	HR005 - Marine habitat restoration - Acres restored - Artificial reefs	\$127,413	\$80,000	10/31/2024	2/1/2028
Bay	5-2: Dirt to Pave Roadway Construction	Construction - Amendment to current award	RES002 - # upgrades to stormwater systems	\$2,004,960	\$1,951,909	3/1/2025	9/1/2028

Total Pot 3 funding request: **\$2,132,373** **\$2,031,909**

NOTE: See all project status on P. 7 of <http://datavisual.balmoralgroup.us/GulfConsortiumProjects> (navigation arrows at bottom of screen on that link)

AGENDA ITEM 11

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 11
Financial Statements**

Statement of Issue:

Presentation of the most recent monthly financial statements.

Background:

Financial Statements are produced monthly for the Consortium. Additionally, attachments include a listing of the cash receipts and cash disbursements since the last report date.

Attachments:

- a) Balance Sheet through April 30, 2024
- b) Income Statement from October 1, 2023 through April 30, 2024
- c) Trust Fund balance totals by funding source with current SEP grant status and HESI/Transocean settlement balance
- d) BP Payment Status
- e) Implementation Grants graph comparing project costs to implementation expenses.
- f) Graphical representation of total grants in comparison to available.

Action Required:

- 1) Recommend approval Financial Reports for Full Board Approval
- 2) Other Committee direction

Staff Recommendation:

Approve as proposed.

Prepared by:

Richard Bernier
The Balmoral Group
Finance Manager
On: May 21, 2024

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

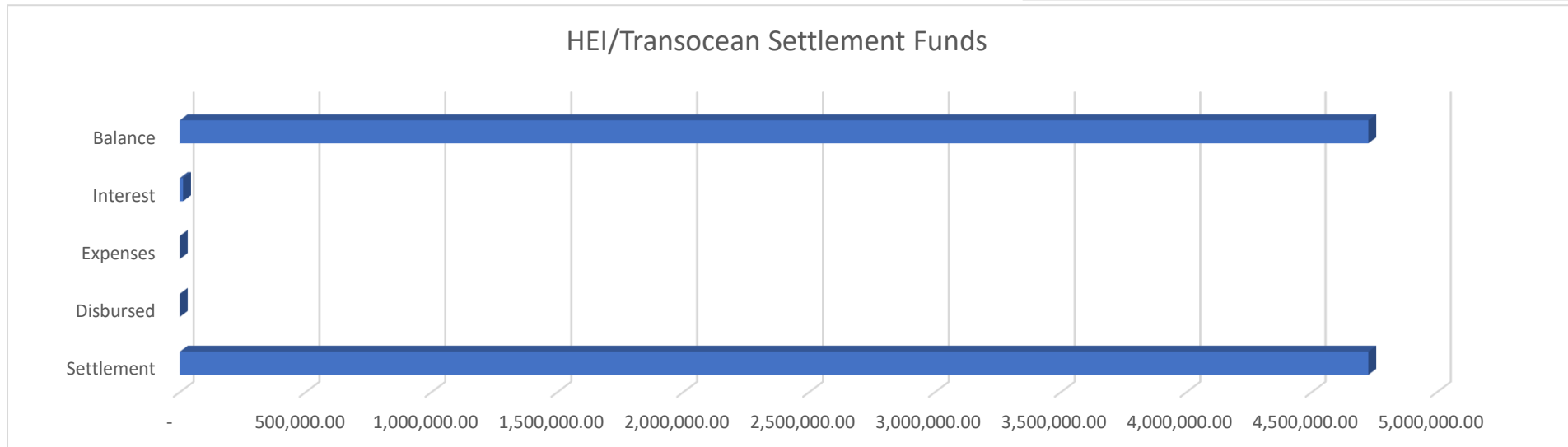
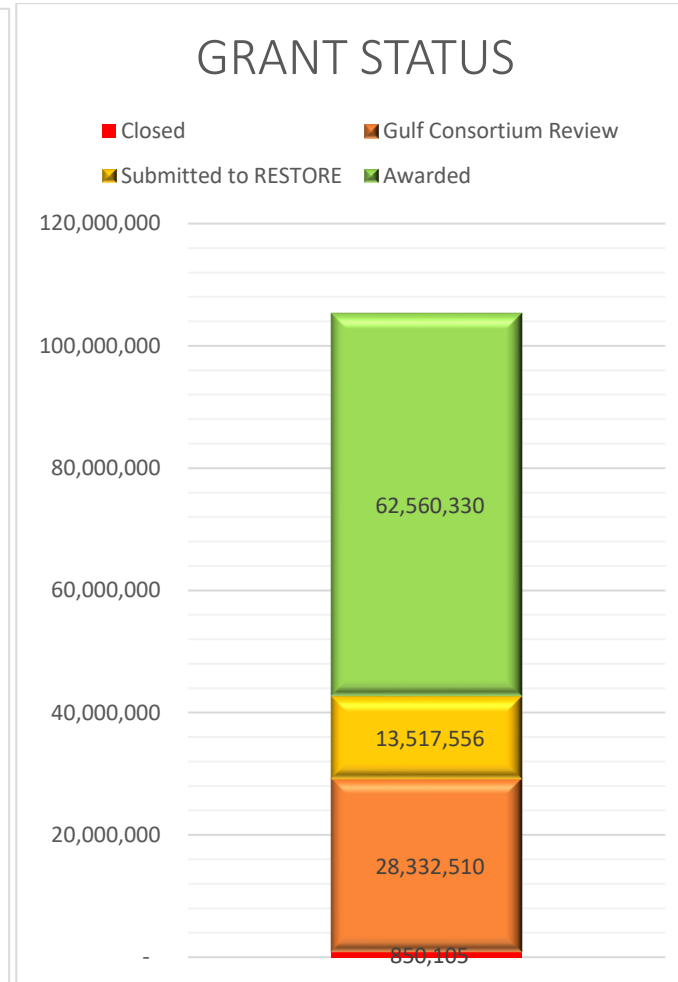
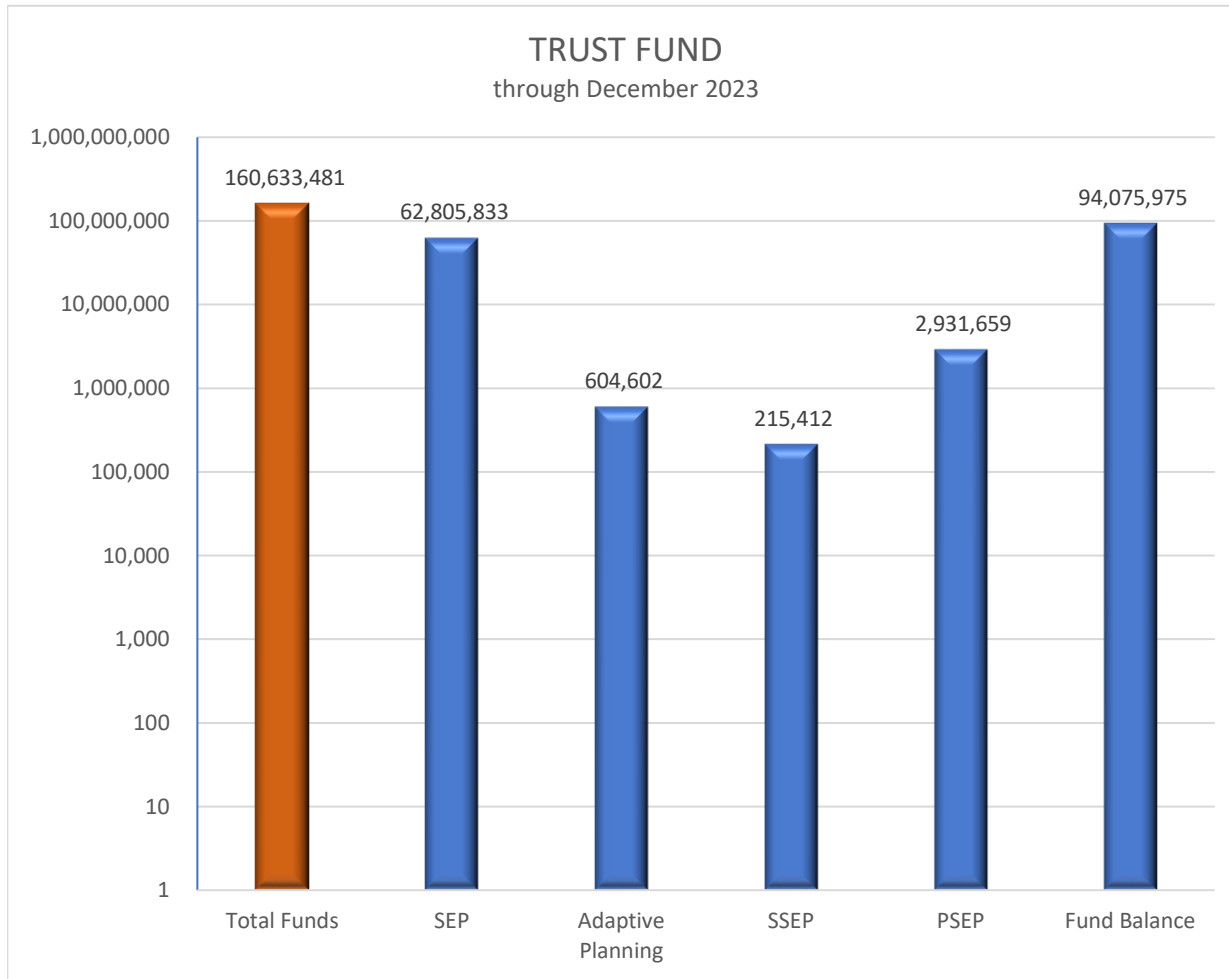
Approved____; Approved as amended____; Defeated_____.

Gulf Consortium
Balance Sheet
As of May 10, 2024

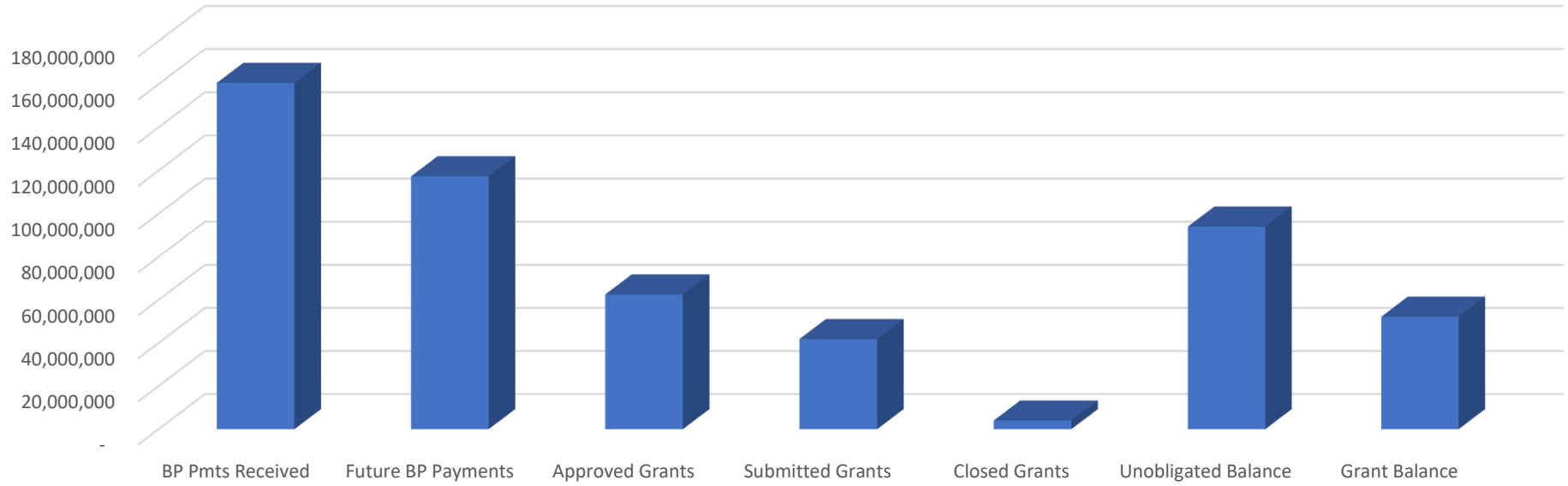
	<u>May 10, 2024</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	
HESI Funds (Wells Fargo)	4,738,778.65
Grant Account (Wells Fargo)	43,108.66
Operating Account (United Comm)	157,620.84
Total Cash	<u>4,939,508.15</u>
Total Checking/Savings	4,939,508.15
Accounts Receivable	
Accounts Receivable	
Adaptive Planning	377,395.06
Grants Receivable (SEP)	53,185,966.37
Accounts Receivable (General)	23,766.00
Total Accounts Receivable	<u>53,587,127.43</u>
Total Accounts Receivable	53,587,127.43
Other Current Assets	
Other Current Assets	
Other Receivables	35,225.49
Prepaid Expenses	32,809.21
Total Other Current Assets	<u>68,034.70</u>
Total Other Current Assets	<u>68,034.70</u>
Total Current Assets	<u>58,594,670.28</u>
TOTAL ASSETS	<u>58,594,670.28</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Payables	
Accounts Payable (Grants)	38,956.74
Accounts Payable (General)	6,987.50
Total Payables	<u>45,944.24</u>
Total Accounts Payable	45,944.24
Other Current Liabilities	
Accrued Liabilities	
Accrued Liabilities (Grants)	53,605,199.40
Total Accrued Liabilities	<u>53,605,199.40</u>
Total Other Current Liabilities	<u>53,605,199.40</u>
Total Current Liabilities	<u>53,651,143.64</u>
Total Liabilities	53,651,143.64
Equity	
Funds Transfers	(59,372.93)
Temp. Restricted Net Assets	4,725,816.72
Unrestricted Net Assets	170,551.22
Net Income	106,531.63
Total Equity	<u>4,943,526.64</u>
TOTAL LIABILITIES & EQUITY	<u>58,594,670.28</u>

Gulf Consortium
Profit & Loss
October 2023 through April 2024

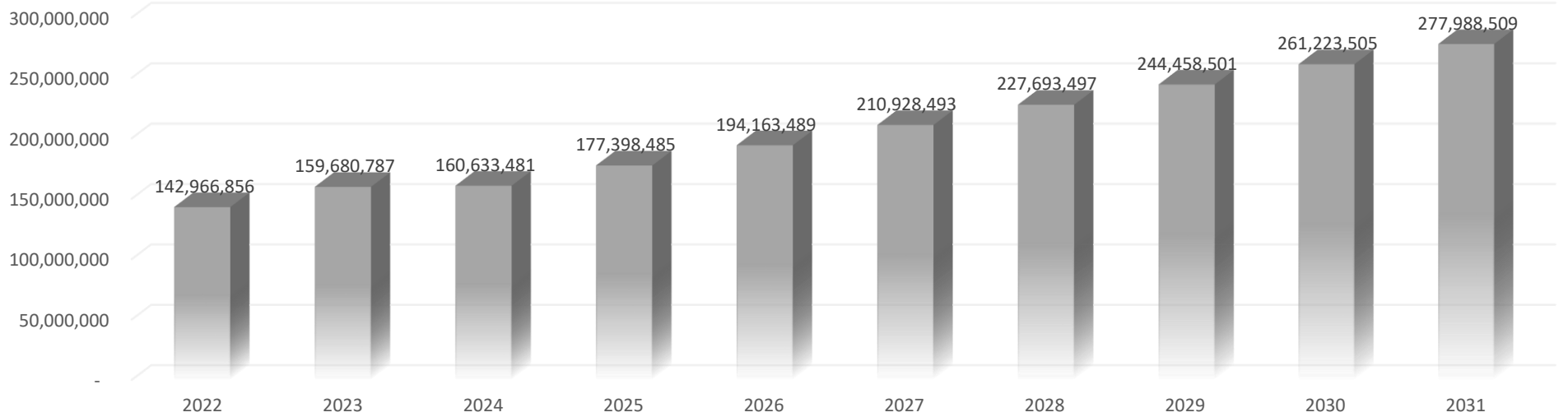
	<u>Adaptive Planning</u>	<u>General Fund</u>	<u>HESI/Transocean Funds</u>	<u>SEP Grants</u>	<u>TOTAL</u>
Income					
Adaptive Planning Grant	28,699.49	-	-	-	28,699.49
Direct Contributions	-	124,122.00	-	-	124,122.00
Grant Funds - SEP	-	-	-	2,088,143.88	2,088,143.88
Interest and Other income	-	-	12,984.96	-	12,984.96
Total Income	<u>28,699.49</u>	<u>124,122.00</u>	<u>12,984.96</u>	<u>2,088,143.88</u>	<u>2,253,950.33</u>
Expense					
Adaptive Planning	28,699.49	-	-	-	28,699.49
SEP Grants	-	-	-	2,088,143.88	2,088,143.88
General Consortium Expenses					
Special District Fees	-	175.00	-	-	175.00
Bank Fees	-	30.00	23.03	-	53.03
Management Fees	-	28,872.30	-	-	28,872.30
Legal Fees	-	1,475.00	-	-	1,475.00
Total General Consortium Expenses	<u>-</u>	<u>30,552.30</u>	<u>23.03</u>	<u>-</u>	<u>30,575.33</u>
Total Expense	<u>28,699.49</u>	<u>30,552.30</u>	<u>23.03</u>	<u>2,088,143.88</u>	<u>2,147,418.70</u>
Net Income	<u>-</u>	<u>93,569.70</u>	<u>12,961.93</u>	<u>-</u>	<u>106,531.63</u>



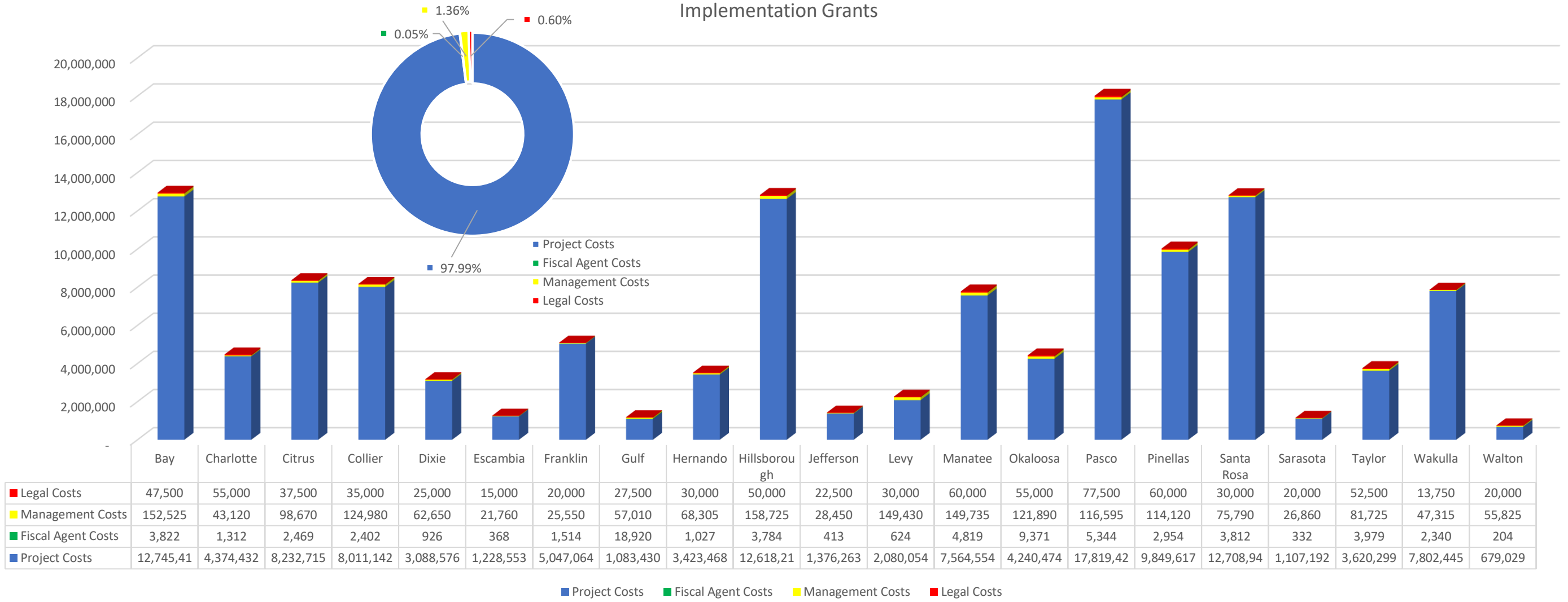
BP Fund Payments



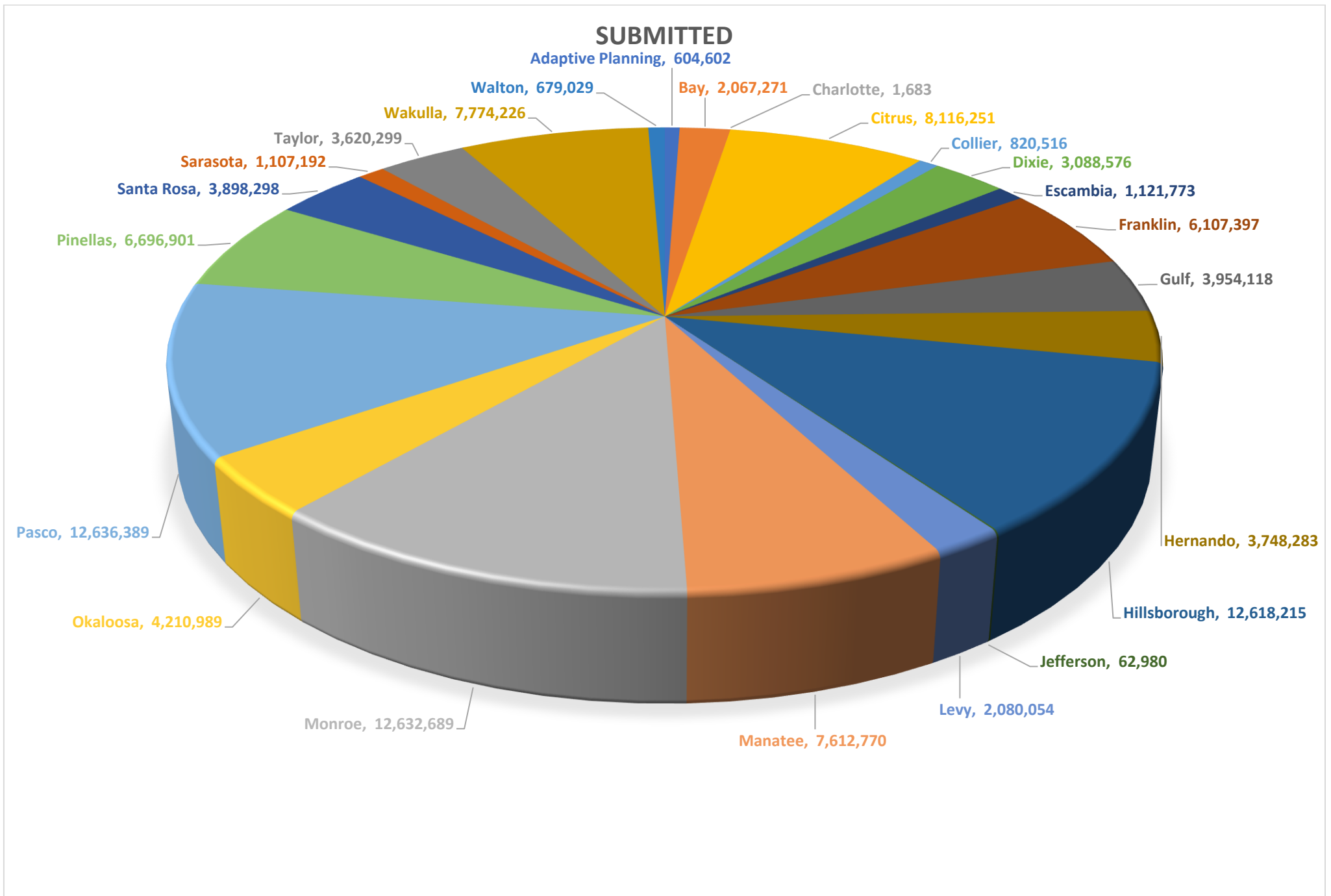
SCHEDULED PAYMENTS



Implementation Grants



Finance Budget Committee Meeting



AGENDA ITEM 12

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 12
Project Highlight**

Statement of Issue:

At the request of the Board, an SEP project implementation highlight will be presented at Board meetings.

Discussion:

Citrus County's project "13-1 Citrus - NW Quadrant Sewer Force Main Project - Construction" is implementing a new sewer collection system to (1) reduce legacy water pollution from old and failing septic systems; (2) improve local water quality in Crystal River/Kings Bay, with a focus on nutrient and bacterial load reductions; and (3) offset the use of potable water for irrigation with reclaimed water from the treated effluent. Pre-construction Special Award Conditions compliance from the County has been proactive and well-organized. Erin Dohren serves as project manager with Citrus County.

Attachments:

- Slides for project summary information

Action Required:

None; informational only.

Prepared by:

Dan Dourte, The Balmoral Group
On: June 4, 2024



Project Highlight:

13-1: NW Quadrant Sewer Force Main Construction (Citrus County)

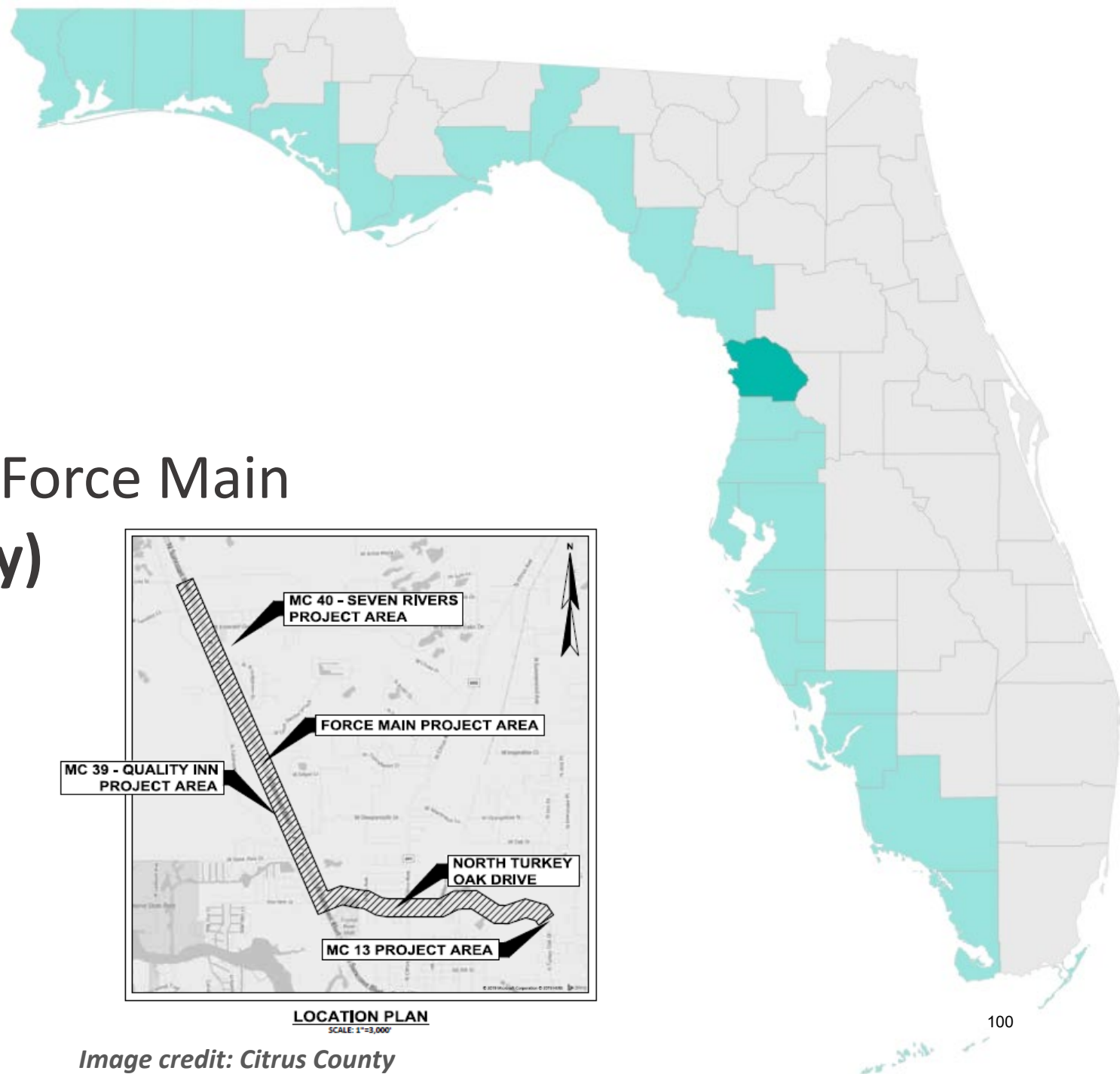


Image credit: Citrus County

13-1: NW Quadrant Sewer Force Main (Citrus County)

Goals:

- (1) reduce legacy water pollution from old and failing septic systems; (2) improve local water quality in Crystal River/Kings Bay, with a focus on nutrient and bacterial load reductions; and (3) offset the use of potable water for irrigation with reclaimed water from the treated effluent.

Approach:

- RESTORE Council funds (about \$6M) and DEP funds (about \$2.7M) are supporting Construction.
- New force main construction
- Abandonment of 2 package plant WWTFs (Seven Rivers and Quality Inn)

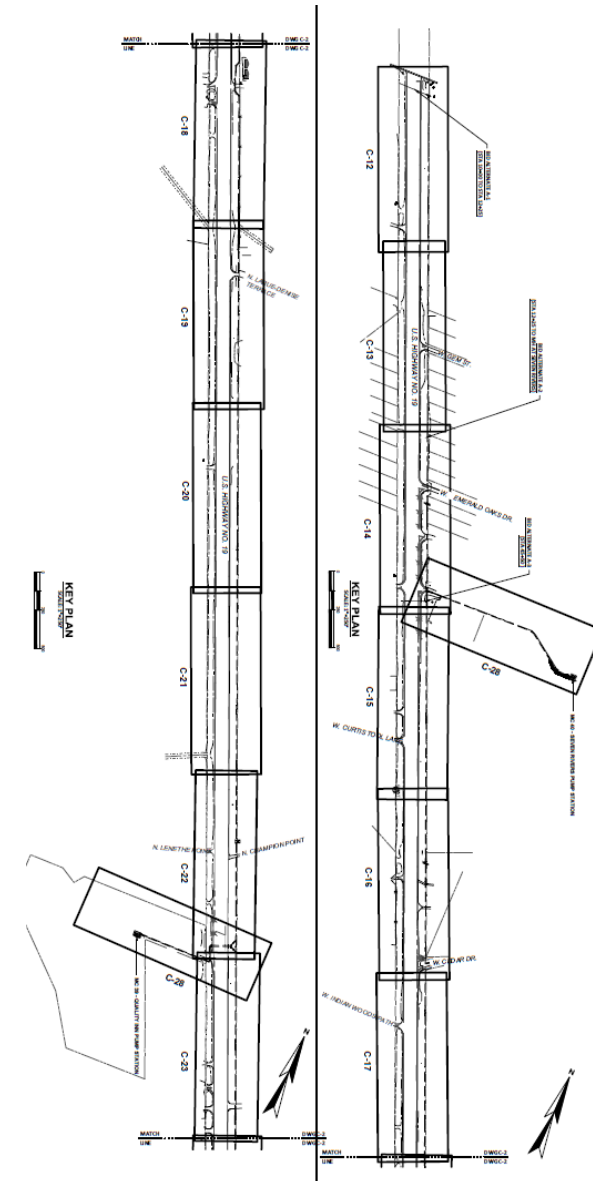


Image credit: Citrus County – design plans

13-1: NW Quadrant Sewer Force Main (Citrus County)

Key Personnel:

- Erin Dohren (Citrus County)

Background:

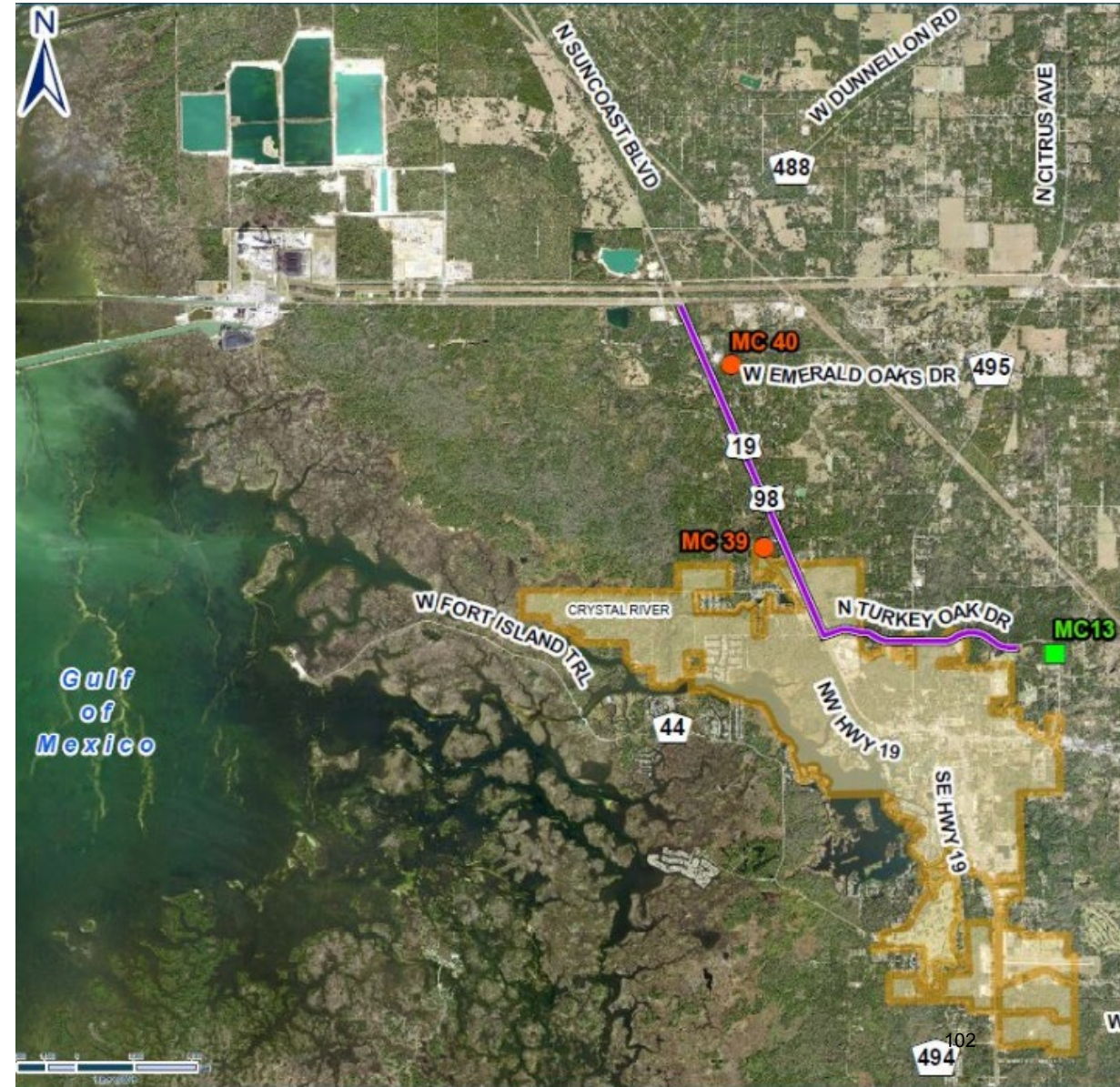
- Awarded March 2022
- Construction in progress

Progress and status:

- Special Award Conditions (pre-construction) addressed by County:
 - *Notice of Federal Interest*
 - *Engineering and design plans*
 - *Permitting requirements*
 - *Floodplain requirements*
 - *Updated construction schedules and cost estimates*

Construction status:

- In progress



AGENDA ITEM 13

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 13
General Counsel's Report**

Statement of Issue:

As needed updates from General Counsel

Action Required:

None, informational only

Prepared By:

Grant Miller
Economic Analyst
The Balmoral Group
June 4, 2024

AGENDA ITEM 14

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 14
Manager's Report**

Statement of Issue:

Consortium staff provides a report on updates to Consortium activities since the last Board meeting.

Discussion:

Staff submitted 26 draw requests, accepted 1 award amendment, filed 14 Financial Reports and 14 Performance Reports, processed 2 new applications and closed out 1 award during the reporting period. With the increased grant activity, as noted in an earlier agenda item, staff has requested a slight increase in the contractual hour caps to accommodate higher overall grant activity.

As discussed earlier, the audit has been completed, and the process will begin to commence a new auditing contract. In addition, Policy Review meetings were conducted internally, and two policy review committees were conducted.

The previously reported RESTORE visit was cancelled, with the expectation that both RESTORE and Treasury will coordinate visits some time during the next year. In the meantime, various follow-up on the previous site visit, from 2021, was discussed and documented in correspondence with RESTORE compliance staff. This includes screen-share audits with our counterparts from Finance and Accounting in each subrecipient county.

Due to a variety of retirements and job changes, staff requests consideration of candidates for audit and finance committee for next year. Our existing committee members provide outstanding service to the Consortium, and additional support would be welcome.

Attachments:

None.

Action Required:

None; informational only.

Prepared by:

Valerie Seidel, The Balmoral Group
On: June 4, 2024

AGENDA ITEM 15

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 15
Public Comments**

Statement of Issue:

The public is invited to provide comments on issues that are NOT on today's agenda.

Attachments:

None

Prepared by:

Grant Miller

The Balmoral Group

On: June 4, 2024

AGENDA ITEM 16

**Gulf Consortium Executive Committee Meeting
June 13, 2024**

**Agenda Item 16
Executive Committee Member Comments**

Statement of Issue:

Members of the Executive Committee are invited to provide comments on relevant issues.

Attachments:

None

Prepared by:

Grant Miller
The Balmoral Group
On: June 4, 2024