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AGENDA
THE GULF CONSORTIUM
Executive Committee Meeting

June 15, 2023; 3:30 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), Commissioner Robert Bender
(Escambia), David Edwards (Wakulla)

Alternate Committee Members:

Commissioner Charlie Justice (Pinellas)

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:

United States: +1 (408) 650-3123

Access Code: 615-887-485



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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 6-7)

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, 2023 Executive Committee Meeting (please see backup pages 8-12)
- Report on delegated authority through May 31, 2023 (please see back up pages 13-16)

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 17-63)

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 64-67)

RECOMMEND: For information only

Item 8. Renewal of Contract for Legal Services

Valerie Seidel will present the updated contract for Nabors, Giblin & Nickerson for legal services for The Gulf Consortium. (Please see back up pages 68-70)

RECOMMEND: Approve for Full Board Review

Item 9. Policy Revisions

Dan Dourte 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 71-74)

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 and 1 previously approved grant application is increasing the amount in grant re-submission. Total new funding requested: about \$11.3M. Upcoming subrecipient



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applications should be delivered to the Gulf Consortium by 8/12/2023. 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 75-78)

Item 11. Financial Report

Richard Bernier will deliver updated financial reports.

(Please see back up pages 79-82)

RECOMMEND: Approve Financial Reports for Final Board Approval

Item 12. Project Highlight

Wakulla County's project "8-1: Wakulla Springshed Water Quality Protection Program - Otter Creek WWTF Construction" will be presented. (Please see back up pages 83-87)

RECOMMEND: For information only

Item 13. General Counsel Report

Updates as needed from General Counsel. (Please see back up pages 88-89)

RECOMMEND: For information only

Item 14. Manager's Report

Valerie Seidel will present an updated manager's report. (Please see back up pages 90-91)

RECOMMEND: For information only

Item 15. Public Comments

The public is invited to provide comments on relevant issues. (Please see back up 92-93)

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 94-95)

Item 17. Upcoming Gulf Consortium Board Meeting

June 28th 2023, 1:30pm

Room: TBD

Signia by Hilton Orlando Bonnet Creek

14100 Bonnet Creek Resort Lane

Orlando, FL 32821

In conjunction with FAC Annual Conference

Item 18. Adjourn

Gulf Consortium Executive Committee
Meeting June 15, 2023 3:30 p.m. Eastern
The Balmoral Group Office - Conference Call :



| <u>County</u> | <u>Executive Committee Member</u> | <u>Present</u> |
|---------------|---|----------------|
| Charlotte | Commissioner Chris Constance | |
| Levy | Commissioner John Meeks | |
| Pasco | Commissioner Jack Mariano | |
| Esambia | Commissioner Robert Bender | |
| Wakulla | David Edwards | |
| Pinellas | Commissioner Charlie Justice, Alternate | |

Notice of Meeting/Workshop Hearing

OTHER AGENCIES AND ORGANIZATIONS

Gulf Consortium

The Gulf Consortium announces a public meeting of its Executive Committee to be held via communications media technology to which all persons are invited to participate.

DATE AND TIME: June 15, 2023 at 3:30 pm (ET)

PLACE: This meeting will be conducted exclusively via teleconference. Interested persons may participate by telephone via the following:

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

Dial in Number +1 (408) 650-3123

Participant Passcode: 615-887-485

Interested persons who wish to participate may also contact Valerie Seidel at 407-629-2185 ext. 104 or vseidel@balmoralgroup.us at least three (3) days in advance of the meeting to arrange for access to be provided to the teleconference at the following location:

The Balmoral Group, 165 Lincoln Avenue, Winter Park, FL 32789

GENERAL SUBJECT MATTER TO BE CONSIDERED: The Executive Committee of the Gulf Consortium will meet to hold a board of director's preview meeting including the status of grant applications and grants, review financials, and conduct other business at the discretion of the committee.

A copy of the agenda may be obtained at www.gulfconsortium.org or by contacting: General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 3 days before the workshop/meeting by contacting the General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1-800-955-8771 (TDD) or 1-800-955-8770 (Voice).

If any person decides to appeal any decision made by the Executive Committee with respect to any matter considered at this meeting, he/she may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence from which the appeal is to be issued.

For more information, please contact the General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us.

AGENDA ITEM 4

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**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:

Dir. Daniel Dourte,
The Balmoral Group
On: June 8, 2023

AGENDA ITEM 5a

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**Agenda Item 5
Approval of January 25, 2023
Meeting Minutes**

Statement of Issue:

Request to approve the minutes of the January 25, 2023 meetings of the Gulf Consortium Executive Committee.

Options:

- (1) Approve the January 25, 2023 minutes as presented; or
- (2) Amend and then approve the minutes.

Recommendation:

Motion to approve Option 1.

Prepared by:

Dir. Daniel Dourte The Balmoral Group
On: June 8, 2023

Attachment:

Draft Minutes, January 25, 2023 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)
Teleconference**

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 24th with new composition. Commissioner Bender made the motion to approve to full board, second by Chair Commissioner Christopher Constance.

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 12th 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. Chair Constance asked of the 23 how many counties have yet to supply projects

and how many have all their projects in the hopper. Dan Dourte said Hillsborough potentially has applied for all the funding. We can get the exact number for the board meeting but 4 or 5 have not submitted anything. Everyone has identified their projects in the State Expenditure Plan. How has the shuffling gone? There is still money that has not been earmarked yet. Val – only 69% of the available funds have been obligated. It has not been an issue in terms of timing and sequence. Commissioner Bender commented that they had one single project. Dan Dourte said the full amount has not been awarded but the project is underway. 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. The audit is underway, they started earlier than previous years. Commissioner Constance asked for a reminder on the annual fees. Valerie Seidel said the county dues are used for running the commission itself and not running the grants. Commissioner Mariano made the motion to approve the financial reports to the full board, second by Commissioner Meeks.

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #10- 5th SEP Amendment

Chairman Commissioner Christopher Constance recognized Daniel Dourte who requested the SEP Amendment #5 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. Commissioner Mariano made the motion to approve the financial reports to the full board, second by Robert Bender. Chair Constance noted that Charlotte County may be amending their projects in one of the next SEP,

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #11- Project Highlight

Daniel Dourte provided a project highlight to the committee. It was the St. Andrew Bay Water Quality Monitoring. The goal was to provide data to guide efforts to reduce non-point source pollution at priority locations in the St. Andrew Bay watershed. St. Andrew Bay was subrecipient to Bay County and the arrangement has gone well. The project will add construction scope for stormwater improvement. Water Quality data is being collected monthly at 70 sites. All of the data is publicly accessible as it is in FDEP's WIN. This item was for information only.

Agenda Item #12- General Counsel Report

There were no updates from General Counsel.

ACTION: EXECUTIVE COMMITTEE APPROVED

Agenda Item #13- Managers Report

Chairman Commissioner Christopher Constance recognized Valerie Seidel who provided an update on the manager's report. Staff processed 15 draw requests, 1 Financial Report and accepted 3 amendments since the last board meeting. Currently there are 51 grants in various stages of activity. Quarterly reviews with RESTORE coordinators have been scheduled based on the RESTORE training guidance from November. Staff welcomed new members to the Board and Committees and has completed onboarding. Sara Ketron with DEP was not on the call but would be on for the full board meeting.

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. Commissioner Jack Mariano noted that he planned to run for secretary treasurer, he apologized for being late. Chair Christopher Constance said the incumbents applied for their same slots so they were moved to the full board. They should maintain status moving forward.

Agenda Item #16 – Upcoming Board Meeting

The next meeting is virtual on February 2nd at 4:30pm and elections would be held at this meeting.

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 14, 2023**

Consent Agenda

Item 5b

**Report on Delegated Authority
Actions from January 18, 2023 – May 30, 2023**

Summary:

Staff report of actions carried out through delegated authority of the Board. There were 2 monetary amendments, 4 new grants awarded, 2 application resubmittals, 18 performance reports submitted, 19 Financial reports submitted, and 38 draw requests for SEP project work. A detailed listing of individual transactions follows.

| Submission Date | Action Taken | County | Project No. | Amount |
|------------------------|---------------------|-------------------|--------------------|---------------|
| 1/18/2023 | Draw Request | Adaptive Planning | 24-1 | 1,994.35 |
| 1/18/2023 | Draw Request | Santa Rosa | 2-1 | 12,853.86 |
| 1/18/2023 | Draw Request | Manatee | 18-1 | 1,444.18 |
| 1/18/2023 | Draw Request | Okaloosa | 3-3 | 45,703.93 |
| 1/18/2023 | Draw Request | Collier | 22-1 | 5,689.21 |
| 1/18/2023 | Draw Request | Bay | 5-2 | 10,433.55 |
| 2/15/2023 | Financial Report | Bay | 5-2 | |
| 2/15/2023 | Financial Report | Hernando | 14-1 | |
| 2/15/2023 | Financial Report | Sarasota | 19-1 | |
| 2/15/2023 | Financial Report | Manatee | 18-6 | |
| 2/15/2023 | Financial Report | Okaloosa | 3-3 | |
| 2/15/2023 | Financial Report | Collier | 22-1 | |
| 2/15/2023 | Financial Report | Citrus | 13-1 | |
| 2/15/2023 | Financial Report | Citrus | 13-2 | |
| 2/16/2023 | Financial Report | Walton | 4-1 | |
| 2/16/2023 | Draw Request | Adaptive Planning | 24-1 | 6,008.05 |
| 2/16/2023 | Draw Request | Franklin | 7-3 | 1,001,481.60 |
| 2/16/2023 | Draw Request | Wakulla | 8-1 | 743.97 |
| 2/16/2023 | Draw Request | Pinellas | 16-2 | 1,262.88 |
| 2/16/2023 | Draw Request | Citrus | 13-2 | 1,531.71 |
| 2/16/2023 | Draw Request | Collier | 22-1 | 34,818.44 |

| | | | | |
|-----------|--------------------------|-------------------|-------|--------------|
| 2/16/2023 | Draw Request | Pinellas | 16-1 | 2,450.74 |
| 2/16/2023 | Draw Request | Pasco | 15-1 | 1,444.18 |
| 2/23/2023 | Performance Report | Bay | 5-2 | |
| 2/23/2023 | Performance Report | Hernando | 14-1 | |
| 2/23/2023 | Performance Report | Sarasota | 19-1 | |
| 2/23/2023 | Performance Report | Manatee | 18-6 | |
| 2/23/2023 | Performance Report | Okaloosa | 3-3 | |
| 2/23/2023 | Performance Report | Collier | 22-1 | |
| 2/23/2023 | Performance Report | Citrus | 13-1 | |
| 2/23/2023 | Performance Report | Citrus | 13-2 | |
| 2/23/2023 | Performance Report | Walton | 4-1 | |
| 2/28/2023 | Accepted Amendment Award | Santa Rosa | 2-1 | 2,604,591.00 |
| 2/28/2023 | Accepted Award | Taylor | 10-3 | 383,665.00 |
| 3/10/2023 | Draw Request | Manatee | 18-6 | 4,682.65 |
| 3/10/2023 | Draw Request | Manatee | 18-10 | 787.74 |
| 3/10/2023 | Draw Request | Citrus | 13-1 | 1,231.62 |
| 3/10/2023 | Draw Request | Okaloosa | 3-3 | 60,286.01 |
| 3/10/2023 | Draw Request | Sarasota | 19-1 | 2,906.25 |
| 3/10/2023 | Draw Request | Bay | 5-2 | 13,622.01 |
| 3/10/2023 | Draw Request | Levy | 12-2 | 6,170.60 |
| 3/28/2023 | Final Financial Report | Manatee | 18-10 | |
| 3/29/2023 | Accepted Award | Citrus | 13-3 | 1,246,249.00 |
| 4/17/2023 | Draw Request | Adaptive Planning | 24-1 | 993.20 |
| 4/17/2023 | Draw Request | Manatee | 18-2 | 1,750.53 |
| 4/17/2023 | Draw Request | Taylor | 10-2 | 497.90 |
| 4/17/2023 | Draw Request | Okaloosa | 3-4 | 1,094.08 |
| 4/17/2023 | Draw Request | Taylor | 10-3 | 7,439.73 |
| 4/17/2023 | Draw Request | Citrus | 13-3 | 7,439.73 |
| 4/17/2023 | Draw Request | Bay | 5-2 | 8,759.94 |
| 4/17/2023 | Draw Request | Walton | 4-1 | 1,443.75 |
| 4/17/2023 | Draw Request | Hernando | 14-1 | 1,750.00 |

| | | | | |
|-----------|------------------------------|-------------------|------|--------------|
| 4/24/2023 | Resubmittal Application | Gulf | 6-1 | |
| 4/25/2023 | Financial Report | Levy | 12-2 | |
| 5/3/2023 | Resubmittal Application | Hernando | 14-5 | |
| 5/12/2023 | Draw Request | Pinellas | 16-2 | 598,228.42 |
| 5/12/2023 | Draw Request | Manatee | 18-6 | 1,006.55 |
| 5/12/2023 | Draw Request | Santa Rosa | 2-1 | 1,744.27 |
| 5/12/2023 | Draw Request | Wakulla | 8-1 | 1,225.37 |
| 5/12/2023 | Draw Request | Collier | 22-1 | 16,733.87 |
| 5/12/2023 | Draw Request | Bay | 5-2 | 8,091.59 |
| 5/12/2023 | Draw Request | Levy | 12-2 | 1,519.21 |
| 5/17/2023 | Financial Report | Adaptive Planning | 24-1 | |
| 5/17/2023 | Financial Report | Manatee | 18-2 | |
| 5/17/2023 | Financial Report | Pinellas | 16-2 | |
| 5/17/2023 | Financial Report | Santa Rosa | 2-1 | |
| 5/17/2023 | Financial Report | Taylor | 10-2 | |
| 5/17/2023 | Financial Report | Wakulla | 8-1 | |
| 5/17/2023 | Financial Report | Okaloosa | 3-4 | |
| 5/17/2023 | Financial Report | Gulf | 6-2 | |
| 5/26/2023 | Accepted Award | Pinellas | 16-3 | 3,374,518.00 |
| 5/26/2023 | Accepted Award | Taylor | 10-1 | 621,686.00 |
| 5/26/2023 | Accepted Amendment Award | Hillsborough | 17-1 | 104,751.00 |
| 5/30/2023 | Submitted Performance Report | Adaptive Planning | 24-1 | |
| 5/30/2023 | Submitted Performance Report | Manatee | 18-2 | |
| 5/30/2023 | Submitted Performance Report | Pinellas | 16-2 | |
| 5/30/2023 | Submitted Performance Report | Santa Rosa | 2-1 | |
| 5/30/2023 | Submitted Performance Report | Taylor | 10-2 | |
| 5/30/2023 | Submitted Performance Report | Wakulla | 8-1 | |
| 5/30/2023 | Submitted Performance Report | Okaloosa | 3-4 | |
| 5/30/2023 | Submitted Performance Report | Gulf | 6-2 | |
| 5/30/2023 | Submitted Performance Report | Escambia | 1-1 | |

AGENDA ITEM 6

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**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.

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, 2022

Prepared by:

Richard Bernier
The Balmoral Group
On: June 8, 2023

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved ____; Approved as amended ____; Defeated _____.

GULF CONSORTIUM
FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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GULF CONSORTIUM
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SEPTEMBER 30, 2022

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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 the Gulf Consortium (the Consortium), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Gulf 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, 2022, and the respective changes in financial position and the budgetary comparison information for the general fund 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 Gulf 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 auditor's 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 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are 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 May 31, 2023, 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 Gulf Consortium's internal control over financial reporting and compliance.

Fort Walton Beach, Florida
May 31, 2023

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

As management of the Gulf Consortium (the Consortium), our discussion and analysis of the Consortium's financial performance provides an overview of the Consortium's financial activities for the fiscal year ended September 30, 2022. 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 \$46,682 (net position) and represents a increase of \$31,519 from the prior year. The total net position of the Consortium is unrestricted.
- Operating revenues consist of membership dues paid by each of the 23 participating counties and grant funds earned from the Oil Spill Impact Program. Total revenues earned during the year ended September 30, 2022, were \$9,579,132, of which 99% was generated from a federal grant award and 1% from membership dues.
- Grant-funded expenses of \$9,455,010 consisted of direct project costs and services approved to provide grant management services.
- Other general government expenses of \$92,603, which were paid from membership dues and prior year unrestricted resources related to the Consortium's management, legal, audit, meeting and travel and other operating expenses. The Consortium budgeted to use excess fund balance derived from membership dues in prior years to fund a portion of membership expenses in FY22.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Consortium is a public entity created in 2012 by Inter-local Agreement among Florida's 23 Gulf Coast counties, from Escambia County in the western panhandle of Florida to Monroe County on the southern tip of Florida and the United States.

Florida's 23 Gulf Coast counties formed the Consortium to meet requirements of the RESTORE Act to develop a State Expenditure Plan for economic and environmental recovery of the Gulf Coast in Florida following the Deepwater Horizon oil spill. The RESTORE Act was passed by the Congress and signed into law in 2012, by the President.

The Consortium's Board of Directors consists of one representative from each of the 23 counties. 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 meets regularly to carry out its duties in administering the oil spill funds.

The Consortium entered into a Memorandum of Understanding (MOU) with Florida Governor Rick Scott in 2013 to foster the development of the State Expenditure Plan (SEP), to enhance coordination and also to ensure consistency with the goals and objectives of the Gulf Coast Ecosystem Restoration Council's Draft Initial Comprehensive Plan: Restoring the Gulf Coast's Ecosystem and Economy. The MOU outlines cooperation elements between the Governor's office and the Consortium and identifies the Consortium as the responsible party for the creation of the State Expenditure Plan.

GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS – CONTINUED

Governmental financial statements – The governmental financial statements are designed to provide readers with a broad overview of the Consortium's finances.

Government-wide and Fund Financial Statements

The basic financial statements of the Consortium are composed of the following:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements

Government-wide Financial Statements (the Statement of Net Position and the Statement of Activities) report information on the reporting entity as a whole. The Consortium only has governmental activities and does not engage in any business-type activities.

The *government-wide financial statements* are designed to provide 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 all of the Consortium's assets, deferred outflows (if any), liabilities, and deferred inflows (if any), 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 accounts of the Consortium are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The Consortium only maintains a general fund and is presented in separate fund financial statements. Governmental fund financial statements are prepared on a modified basis using current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets.

The Consortium adopts an annual budget for the general fund. A budgetary comparison has been presented for the general fund as part of the basic financial statements, which compares not only the actual results to budget but also the original adopted budget to final budget.

Notes to financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The Management's Discussion and Analysis is the only required supplementary information applicable to the Consortium's form of government and related activities.

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

FINANCIAL ANALYSIS

Table 1 focuses on net position. The Consortium's net position was \$46,682 as of September 30, 2022. Unrestricted net position is intended to cover the Consortium's ongoing operating expenses. During the year ended September 30, 2022, planning grant funds and SEP grant funds were available to the Consortium to pay for any grant-related costs.

**TABLE 1
GULF CONSORTIUM
STATEMENTS OF NET POSITION
AS OF SEPTEMBER 30, 2022 AND 2021**

| | 2022 | 2021 |
|----------------------------|-------------|-------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 42,451 | \$ 6,251 |
| Due from other governments | 60,761 | 99,473 |
| Prepaid expenses | 16,184 | 15,865 |
| TOTAL ASSETS | 119,396 | 121,589 |
| LIABILITIES | | |
| Accounts payable | 72,714 | 106,426 |
| TOTAL LIABILITIES | 72,714 | 106,426 |
| NET POSITION | | |
| Unrestricted | 46,682 | 15,163 |
| TOTAL NET POSITION | \$ 46,682 | \$ 15,163 |

Table 2 focuses on the change in net position. Operating revenues consist of membership dues paid by each of the 23 participating counties and grant funds earned from the Oil Spill Impact Program. Grant-funded expenses of \$9,455,010, consisted of direct project costs and services approved to provide grant management services. Other operating expenses of \$92,603, which were paid from membership dues and prior year unrestricted resources related to the Consortium's management, legal, audit, meeting and travel and other operating expenses.

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

**DRAFT
2023-06-02**

**TABLE 2
GULF CONSORTIUM
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022 AND 2021**

| | 2022 | 2021 |
|--|--------------|-------------|
| REVENUES | | |
| Operating grants and contributions | \$ 9,579,132 | \$ 964,969 |
| TOTAL REVENUES | 9,579,132 | 964,969 |
| EXPENSES | | |
| Governmental activities | | |
| General government | | |
| Grant-funded expenses | 9,455,010 | 858,182 |
| Non-grant funded expenses | 92,603 | 114,507 |
| TOTAL EXPENSES | 9,547,613 | 972,689 |
| CHANGE IN NET POSITION | 31,519 | (7,720) |
| NET POSITION, BEGINNING OF YEAR | 15,163 | 22,883 |
| NET POSITION, END OF YEAR | \$ 46,682 | \$ 15,163 |

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year 2022 budget included the expectation to receive grant revenues relating to the Adaptive Planning Grant and Florida State Expenditure Plan. During fiscal year 2022 approximately 8 grant awards were awarded to 7 Florida counties totaling \$24.6 million. The projects are intended to substantially improve water resources across the Gulf and restore areas of habitat.

The Consortium's budgeted expenses for fiscal year 2023 total approximately \$50.7 million. The 2023 budget includes approximately \$106,000 of general operating expenses to be funded with membership dues and carry over funds from the previous year, \$109,000 of grant compliance related expenses, and \$50.5 million in expenses for economic and environmental recovery projects in the Gulf Coast of Florida.

**GULF CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

**DRAFT
2023-06-02**

REQUESTS FOR INFORMATION

This financial report is designed to provide a narrative overview and analysis of the financial activities of the Consortium for the fiscal year ended September 30, 2022. Management's Discussion and Analysis is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Consortium's financial activities, (c) identify changes in the Consortium's financial position, and (d) identify individual fund issues or concerns of the Consortium's financial activity. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the President, The Balmoral Group, LLC, 165 Lincoln Avenue, Winter Park, Florida, 32789.

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BASIC FINANCIAL STATEMENTS

**GULF CONSORTIUM
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

**DRAFT
2023-06-02**

| | <u>Governmental Activities</u> |
|--|---|
| ASSETS | |
| Cash and cash equivalents | \$ 42,451 |
| Due from other governments | 60,761 |
| Prepaid expenses | <u>16,184</u> |
| TOTAL ASSETS | 119,396 |
| LIABILITIES | |
| Accounts payable and accrued liabilities | <u>72,714</u> |
| NET POSITION | |
| Unrestricted | <u><u>\$ 46,682</u></u> |

See notes to the financial statements.

GULF CONSORTIUM
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

| <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 | \$ 9,547,613 | \$ - | \$ 9,579,132 | \$ - | \$ 31,519 |
| | | | NET POSITION AT BEGINNING OF YEAR | | 15,163 |
| | | | NET POSITION AT END OF YEAR | | \$ 46,682 |

See notes to the financial statements.

GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
BALANCE SHEET
SEPTEMBER 30, 2022

ASSETS

| | | |
|----------------------------|----|--------|
| Cash and cash equivalents | \$ | 42,451 |
| Due from other governments | | 60,761 |
| Prepaid expenses | | 16,184 |

TOTAL ASSETS

\$ 119,396

LIABILITIES

| | | |
|--|----|--------|
| Accounts payable and accrued liabilities | \$ | 72,714 |
|--|----|--------|

FUND BALANCE

| | | |
|--------------|--|--------|
| Nonspendable | | 16,184 |
| Unassigned | | 30,498 |

TOTAL FUND BALANCE

46,682

TOTAL LIABILITIES AND FUND BALANCE

\$ 119,396

See notes to the financial statements.

GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

| | | |
|--|----|----------------------|
| Fund balance, general fund | \$ | 46,682 |
| Amounts reported for governmental activities in the statement of net position are not different | | <u>-</u> |
| Net position of governmental activities | \$ | <u><u>46,682</u></u> |

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, 2022

REVENUES

| | |
|--------------------|------------------|
| Intergovernmental: | |
| Planning grants | \$ 50,509 |
| SEP grants | 9,404,501 |
| Membership dues | <u>124,122</u> |
| Total revenues | <u>9,579,132</u> |

EXPENDITURES

| | |
|--|-------------------------|
| Current | |
| General government | |
| Membership expenditures | |
| Management fees | 63,744 |
| Legal and other professional fees | 22,125 |
| Meetings and other operating | <u>6,734</u> |
| Total membership expenditures | 92,603 |
| Grant expenditures | |
| Planning grants | 50,509 |
| SEP grants | <u>9,404,501</u> |
| Total grants expenditures | <u>9,455,010</u> |
| Total expenditures | <u>9,547,613</u> |
| NET CHANGE IN FUND BALANCE | 31,519 |
| FUND BALANCE AT BEGINNING OF YEAR | <u>15,163</u> |
| FUND BALANCE AT END OF YEAR | <u><u>\$ 46,682</u></u> |

See notes to the financial statements.

GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

| | | |
|--|----|---------------|
| Net change in fund balance – general fund | \$ | 31,519 |
| Amounts reported for governmental activities in the statement of activities are not different | | - |
| Change in net position of governmental activities | \$ | <u>31,519</u> |

See notes to the financial statements.

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**GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

| | <u>Budgeted Amounts</u> | | Actual Amounts | Variance with Final Budget |
|--|-----------------------------|-----------------------------|---------------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Planning grants | \$ 191,860 | \$ 191,860 | \$ 50,509 | \$ (141,351) |
| State expenditure plan (SEP) | 104,764,553 | 104,764,553 | 9,404,501 | (95,360,052) |
| Membership dues | <u>124,120</u> | <u>124,120</u> | <u>124,122</u> | <u>2</u> |
| TOTAL REVENUES | 105,080,533 | 105,080,533 | 9,579,132 | (95,501,401) |
| EXPENDITURES | | | | |
| Membership expenditures | | | | |
| Management fees | 78,925 | 78,925 | 63,744 | 15,181 |
| Legal and other professional fees | 30,500 | 30,500 | 22,125 | 8,375 |
| Meetings and other operating | <u>14,695</u> | <u>14,695</u> | <u>6,734</u> | <u>7,961</u> |
| Total management expenditures | 124,120 | 124,120 | 92,603 | 31,517 |
| Grant expenditures | | | | |
| Planning grants implementation | 63,950 | 63,950 | 50,509 | 13,441 |
| SEP implementation (county projects) | <u>52,382,277</u> | <u>52,382,277</u> | <u>9,404,501</u> | <u>42,977,776</u> |
| Total grant expenditures | <u>52,446,227</u> | <u>52,446,227</u> | <u>9,455,010</u> | <u>42,991,217</u> |
| TOTAL EXPENDITURES | <u>52,570,347</u> | <u>52,570,347</u> | <u>9,547,613</u> | <u>43,022,734</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 52,510,186 | 52,510,186 | 31,519 | (52,478,667) |
| FUND BALANCE AT BEGINNING OF YEAR | | | | |
| | <u>15,163</u> | <u>15,163</u> | <u>15,163</u> | <u>-</u> |
| FUND BALANCE AT END OF YEAR | <u>\$ 52,525,349</u> | <u>\$ 52,525,349</u> | <u>\$ 46,682</u> | <u>\$(52,478,667)</u> |

See notes to the financial statements.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT

Description of District

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 (RESTORE Act). The RESTORE Act was established as a mechanism for providing funding to the Gulf Coast region 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 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 (Council 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. For Florida, the RESTORE Act, under 33 U.S.C. Chapter 1321(t)(3)(2012), requires a consortia of local political subdivisions to develop a State Expenditure Plan, for which the RESTORE Act provides for Trust Fund expenditures that would fund projects, programs and activities that will improve the ecosystems or economy of the Gulf Coast region that meet the criteria specified in the RESTORE Act. Therefore, pursuant to Section 163.01, Florida Statutes, by the Interlocal Agreement among 23 Florida Gulf Coast affected counties, the Consortium was created on November 19, 2012, to 1) develop Florida's State Expenditure Plan (FSEP), 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 Consortium members.

In 2015, the Restoration Council published its final rule on the RESTORE Act, Spill Impact component state allocation formula. The Spill Impact component represents 30% of a portion of civil fines and administrative penalties derived from the Clean Water Act and is expected to be \$1.6 billion. The allocation of the Spill Impact component for the state of Florida is 18.36% of the total designated or approximately \$242 million.

During the year ended September 30, 2015, the Consortium planning grant application to prepare FSEP was submitted to the Restoration Council and was subsequently approved. The Consortium's FSEP was approved in September 2018 and the Consortium's 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. In September 2019 the first project was awarded. As of September 30, 2022, 31 projects have been awarded.

The Reporting Entity

The Consortium was incorporated as an independent special district under the laws and regulations of the State of Florida. Membership of the Consortium is limited to the counties that were impacted by the Deepwater Horizon Oil Spill. As of September 30, 2022, the Consortium's membership consisted of the 23 Florida counties with frontage to the Gulf of Mexico. Each member appoints one director to the Consortium to act as a representative on its behalf. 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.

GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT – CONTINUED

Government-wide and Fund Financial Statements

The basic financial statements of the Consortium are composed of the following:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements

Government-wide financial statements (the statement of net position and the statement of activities) report information on the reporting government as a whole. The Consortium only has governmental activities and does not engage in any business-type activities.

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.

Intergovernmental revenues during the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period.

The Consortium reports the following major governmental fund:

General Fund – The General Fund is the general 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.

When both restricted and unrestricted resources are available for use, it is the Consortium's policy to use restricted resources first, then unrestricted resources, as they are needed.

GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT –
CONTINUED**

Intergovernmental Revenues

The Consortium's intergovernmental revenues consist of dues and revenues received per the Interlocal Agreement and federal grant funding.

Cash and Cash Equivalents

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

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expense. Prepaid items are recognized as expenditures on the consumption method in the general fund.

Budgetary Requirement and Basis

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Consortium's Board 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).

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.

Subsequent Events

Subsequent events were evaluated through May 31, 2023, which is the date the financial statements were available to be issued.

2. CASH

Deposits at year-end were held by financial institutions designated as a "qualified public depository" by the State Treasurer. All deposits were fully insured through a combination of federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. At September 30, 2022, the reported amount of the deposits and the bank balance was \$42,451.

GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

3. DUE FROM OTHER GOVERNMENTS

The Consortium's receivable from other governments as of September 30, 2022, is \$60,761, which is due from the Restoration Council.

4. RELATED PARTIES AND CONTRACT COMMITMENTS

State of Florida

In 2013, the Consortium entered into a Memorandum of Understanding (MOU) with the governor of the State of Florida 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 resources and energize the economic recovery in the region. The MOU requires coordination with the governor's office on projects in the FSEP, which will be certified, if appropriate, by the governor to the Restoration Council for approval (see Note 1 for information on the Restoration Council). 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 FSEP. Additionally, the Consortium consults with the state on the development of the Plan and provides the Plan to the governor for review prior to submission to the Restoration Council.

The Balmoral Group, LLC

In 2017, The Balmoral Group, LLC was contracted to serve as the Consortium's full-time manager. Services provided include administration of the Consortium's operations, as well as other administrative duties, including financial management, accounting services and the annual budget preparation. The compensation for these services is at a rate of \$175 per hour, not to exceed \$100,000 per fiscal year. Non-grant related expenses under this contract for the year ended September 30, 2022, totaled \$63,744. The contract also recognizes certain management services may be eligible for grant reimbursement which can also be billed to the grant at a rate of \$175 per hour, not to exceed \$350,000 per fiscal year. Management expenses relating to grant related activity for the year ended September 30, 2022, totaled \$233,633. In January 2021, the contract was extended through April 30, 2024.

Leon County, Florida 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, 2022, and as such, no expenses or related revenue have been recorded.

Leon County, Florida 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 expenses associated with developing and implementing the FSEP. Effective March of 2019, the Clerk performs these responsibilities for three (3) basis points on each transaction processed. For the year ending September 30, 2022, the Clerk charged the Consortium \$2,770 for processing services under this agreement.

GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

5. CONCENTRATIONS

The Consortium's revenue is generated from two sources: membership dues and federal grant funds relating to the Restoration Council Oil Spill Impact Program. During the year ended September 30, 2022, 99% of the Consortium's revenue was derived from federal grant awards funded by the Gulf Coast Ecosystem Restoration Council and 1% was generated from membership dues. The Consortium is fiscally dependent upon the federal grant funding.

6. FUND BALANCE

The Consortium's fund balance is classified as follows:

Nonspendable – represents amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, prepaid items. There was a \$16,184 nonspendable fund balance at September 30, 2022.

Unassigned – represents all spendable amounts available for general use of the Consortium. There was a \$30,498 unassigned fund balance at September 30, 2022.

7. CONTINGENCY

Amounts received or receivable from the grantor agency are subject to audit and adjustment by the grantor agency. If expenditures are disallowed as a result of these audits, the claim for reimbursement to the grantor agency 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 financial position of the Consortium.

GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

8. GRANT COMMITMENTS

As of September 30, 2022, the Consortium had outstanding federal grant awards of \$49,441,835 for approved projects by the Restoration Council (also RESTORE Council). The federal grant funds are not available to the Consortium until expenses are incurred and, therefore, are not recorded as receivables. The grant expenses are subject to audit to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material by management.

| Grantee(s) | Award Identification Number | Award Amount | Funds Expended to Date | Award Funds Remaining |
|---|--|-------------------------|---------------------------------------|--------------------------------------|
| Adaptive Planning | GNSSP21FL0020 | \$ 191,860 | \$ 124,396 | \$ 67,464 |
| Manatee | GNSSP21FL0022 | 689,687 | 18,222 | 671,465 |
| Pinellas | GNSSP21FL0023 | 2,085,262 | 16,401 | 2,068,861 |
| Escambia | GNSSP21FL0025 | 1,121,773 | 14,527 | 1,107,246 |
| Manatee | GNSSP21FL0028 | 352,266 | 11,601 | 340,665 |
| Franklin | GNSSP21FL0029 | 6,107,397 | 5,024,867 | 1,082,530 |
| Manatee | GNSSP21FL0030 | 4,538,586 | 18,598 | 4,519,988 |
| Citrus | GNSSP22FL0034 | 5,988,821 | 15,126 | 5,973,695 |
| Santa Rosa | GNSSP22FL0036 | 3,460,834 | 10,742 | 3,450,092 |
| Taylor | GNSSP22FL0037 | 1,075,161 | 10,644 | 1,064,517 |
| Wakulla | GNSSP22FL0039 | 7,721,441 | 12,716 | 7,708,725 |
| Okaloosa | GNSSP22FL0040 | 1,431,554 | 10,985 | 1,420,569 |
| Pasco | GNSSP22FL0041 | 5,090,277 | 10,181 | 5,080,096 |
| Manatee | GNSSP22FL0044 | 2,039,612 | 9,188 | 2,030,424 |
| Taylor | GNSSP23FL0046 | 383,665 | - | 383,665 |
| Citrus | GNSSP23FL0047 | 1,246,249 | - | 1,246,249 |
| Pasco | GNTSP19FL0086 | 117,905 | 10,769 | 107,136 |
| Santa Rosa, Okaloosa, Citrus and Charlotte | GNTSP20FL0088 | 1,150,464 | 708,446 | 442,018 |
| Wakulla | GNTSP20FL0089 | 81,004 | 58,598 | 22,406 |
| Okaloosa | GNTSP20FL0090 | 1,066,139 | 278,798 | 787,341 |
| Pinellas | GNTSP20FL0091 | 1,237,121 | 1,037,243 | 199,878 |
| Sarasota | GNTSP20FL0092 | 1,107,192 | 16,092 | 1,091,100 |

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

8. GRANT COMMITMENTS – CONTINUED

| <u>Grantee(s)</u> | <u>Federal Award Identification Number</u> | <u>Award Amount</u> | <u>Funds Expended to Date</u> | <u>Award Funds Remaining</u> |
|-------------------|--|-----------------------------|---------------------------------------|--------------------------------------|
| Collier | GNTSP20FL0097 | \$ 820,516 | \$ 184,570 | \$ 635,946 |
| Bay | GNTSP20FL0098 | 545,139 | 186,401 | 358,738 |
| Walton | GNTSP20FL0105 | 679,029 | 17,680 | 661,349 |
| Jefferson | GNTSP20FL0106 | 1,236,271 | 62,944 | 1,173,327 |
| Citrus | GNTSP20FL0107 | 1,359,099 | 179,128 | 1,179,971 |
| Hernando | GNTSP20FL0110 | 778,622 | 38,653 | 739,969 |
| Hillsborough | GNSSP20FL0012 | 5,027,488 | 3,315,963 | 1,711,525 |
| Levy | GNSSP20FL0013 | 2,080,054 | 26,228 | 2,053,826 |
| Gulf | GNSSP20FL0010 | 194,413 | 133,359 | 61,054 |
| Totals | | <u>\$ 61,004,901</u> | <u>\$ 11,563,066</u> | <u>\$ 49,441,835</u> |

COMPLIANCE SECTION

GULF CONSORTIUM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

| <u>Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title</u> | <u>Assistance Listing Number</u> | <u>Pass-Through Entity Identifying Contract Number</u> | <u>Expenditures</u> | <u>Passed Through to Subrecipients</u> |
|--|--|--|---------------------|--|
| FEDERAL AWARDS | | | | |
| Gulf Coast Ecosystem Restoration Council (RESTORE Council) | | | | |
| Gulf Coast Ecosystem Restoration Council | | | | |
| Oil Spill Impact Program | 87.052 | GNSSP20FL0010 | \$ 85,083 | \$ 58,126 |
| Oil Spill Impact Program | 87.052 | GNSSP20FL0012 | 3,304,918 | 3,290,720 |
| Oil Spill Impact Program | 87.052 | GNSSP20FL0013 | 15,385 | - |
| Oil Spill Impact Program | 87.052 | GNSSP21FL0020 | 50,509 | - |
| Oil Spill Impact Program | 87.052 | GNSSP21FL0022 | 7,934 | - |
| Oil Spill Impact Program | 87.052 | GNSSP21FL0023 | 7,446 | - |
| Oil Spill Impact Program | 87.052 | GNSSP21FL0025 | 4,550 | - |
| Oil Spill Impact Program | 87.052 | GNSSP21FL0029 | 5,007,932 | 5,000,000 |
| Oil Spill Impact Program | 87.052 | GNSSP21FL0030 | 7,333 | - |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0088 | 210,690 | 196,240 |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0089 | 37,993 | 30,932 |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0090 | 157,684 | 151,889 |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0105 | 15,269 | - |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0091 | 7,360 | - |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0097 | 104,781 | 101,000 |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0098 | 80,053 | 67,210 |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0106 | 46,081 | 47,190 |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0107 | 175,779 | 169,351 |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0110 | 22,960 | 17,119 |
| Oil Spill Impact Program | 87.052 | GNSSP21FL0028 | 11,601 | - |
| Oil Spill Impact Program | 87.052 | GNSSP22FL0034 | 15,124 | - |
| Oil Spill Impact Program | 87.052 | GNSSP22FL0036 | 10,742 | - |
| Oil Spill Impact Program | 87.052 | GNSSP22FL0037 | 10,644 | - |
| Oil Spill Impact Program | 87.052 | GNSSP22FL0039 | 12,716 | - |
| Oil Spill Impact Program | 87.052 | GNSSP22FL0040 | 10,985 | - |
| Oil Spill Impact Program | 87.052 | GNSSP22FL0041 | 10,181 | - |
| Oil Spill Impact Program | 87.052 | GNSSP22FL0044 | 9,188 | - |
| Oil Spill Impact Program | 87.052 | GNTSP20FL0092 | 14,089 | - |
| | | | <u>\$ 9,455,010</u> | <u>\$ 9,129,777</u> |

The accompanying notes are an integral part of this schedule.

GULF CONSORTIUM
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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, 2022. 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 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.

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.

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**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) compliance with Florida Statute 218.415 in regard to investments for the year ended September 30, 2022.

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

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

In our opinion, the Consortium complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

Fort Walton Beach, Florida
May 31, 2023

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, 2022, and the related notes to the financial statements, which collectively comprise the Consortium's basic financial statements, and have issued our report thereon dated May 31, 2023.

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 opinions 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that 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 entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fort Walton Beach, Florida
May 31, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND 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, 2022.

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, 2022.

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 each 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 each 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
May 31, 2023

GULF CONSORTIUM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that is/are not considered to be material weaknesses? Yes None Reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over federal program:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that is/are not considered to be material weaknesses? Yes 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 No

Identification of federal 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? | <u>\$750,000</u> |
| Auditee qualified as low-risk auditee for federal awards? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

GULF CONSORTIUM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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.

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**GULF CONSORTIUM
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

There were no findings for the fiscal year ended September 30, 2021, which were required to be reported in accordance with government auditing standards generally accepted in the United States of America and in accordance with the Uniform Guidance.

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, 2022, and the related notes to the financial statements and have issued our report thereon dated May 31, 2023.

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 of a 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 of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 31, 2023, 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.

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 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 earned by or awarded to employees, whether paid or accrued, regardless of contingency.
- d. No compensation 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 approved by the Consortium that are scheduled to begin on or after October 1 of the fiscal year being reported.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes is reflected in the Consortium's basic financial statements.

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, members of the Consortium and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We greatly appreciate the assistance and cooperation extended to us during our audit.

Fort Walton Beach, Florida
May 31, 2023

AGENDA ITEM 7

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

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 another 25% from the previous year.
- Adaptive planning admin hours are down another 48%.
- The number of grant reports and invoices increased 67% due to the increase in grant activity.
- Grant-related management costs increased 55% due to increased grant activity, but are still within caps.

The number of grant reports and invoices has increased from the prior year, due to increased grant activity, but activity is increasing at a decreasing rate which should keep us within the cap for the next year.

Contractual caps and hourly rates are sufficient to date. 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 contract allows for Executive Committee to approve increases up to 20% on the hourly rate and cap. Last year, the contractual cap for hours was increased by the full 20% as allowed by the contract, in anticipation of additional grant activity. Currently, we are authorized to 2,057 hours annually on grant processing and have incurred only 1,361 year to date, so we are not requesting an interim adjustment.

Attachments:

- a) Grant actual hours compared to contracted hours.

Action Required:

1) For information only

Staff Recommendation:

Approve as proposed.

Prepared by:

Valerie Seidel
The Balmoral Group
On: June 8, 2023

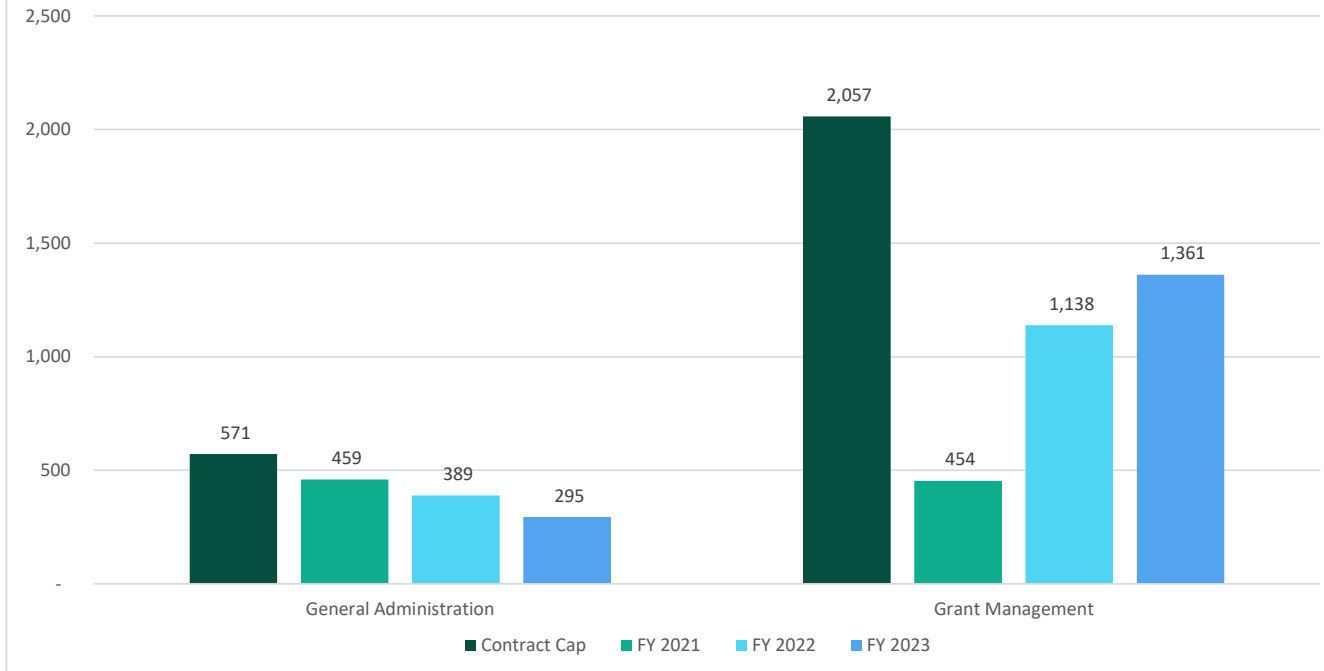
Action Taken:

Motion to: _____, Made by: _____;

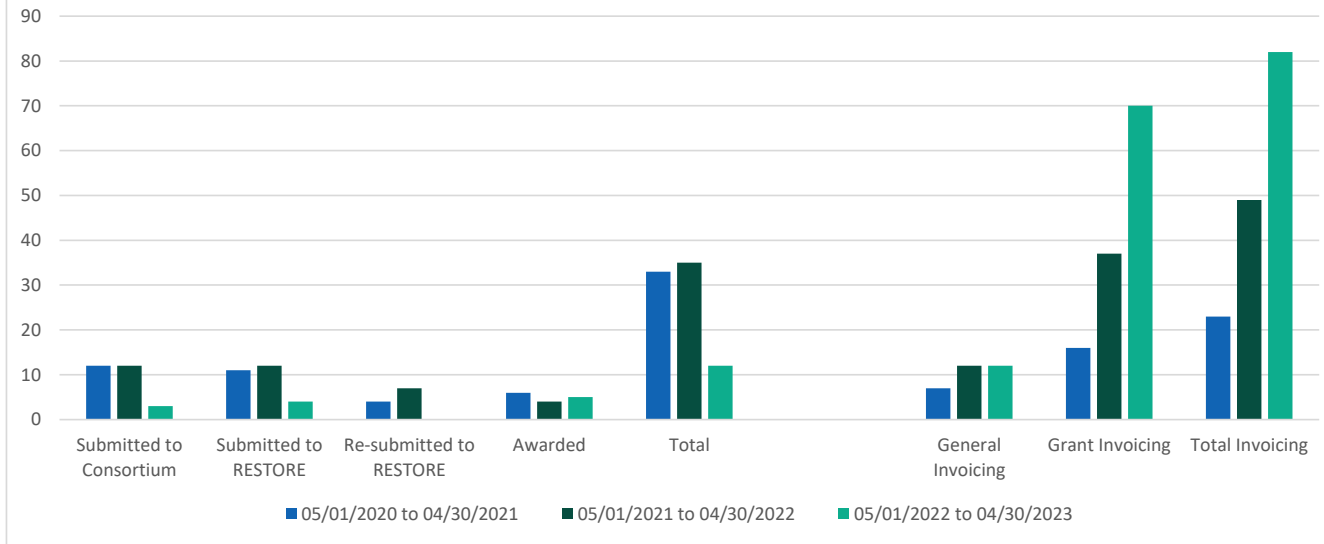
Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

Actual vs Contractual Cap (Hours)



of Grant Submissions & # of Invoices



AGENDA ITEM 8

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**Agenda Item 8
Renewal of Contract for Legal Services**

Statement of Issue:

This amendment proposes to extend the legal services contract for a two-year period with automatic annual renewals thereafter, which is consistent with how the Consortium's agreement with the General Manager is structured.

Background:

In October 2012, the Consortium and NGN entered into an Agreement for Interim General Counsel Services. In September 2016, following a competitive procurement process, the Consortium and NGN entered into an Agreement for General Counsel Services ("Agreement"). The Agreement has been extended twice previously, in 2018 and 2020 respectively. NGN's hourly rate has remained unchanged since 2012 and no increase is being proposed in this amendment.

The proposed amendment would extend the Agreement for an additional two-year period and provide for automatic one-year renewals thereafter, which is consistent with how the Consortium's agreement for General Management services is structured. There are no changes to any other terms or conditions in the Agreement.

Attachments:

- Fifth Amendment to Contract for NGN as General Counsel

Options:

- Approve this contract amendment for full Board review
- Committee direction

Prepared by:

Dan Dourte

The Balmoral Group, Grants Administrator

On: June 6, 2023

**FIFTH AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE GULF CONSORTIUM AND NABORS, GIBLIN & NICKERSON, P.A.**

This Fifth Amendment of the Agreement for Professional Services is entered into by and between the **Gulf Consortium**, a legal entity and public body organized and created pursuant to an interlocal agreement among the 23 county governments along Florida's Gulf Coast (the "Consortium"), and **Nabors, Giblin & Nickerson, P.A.**, whose business address is 1500 Mahan Drive, Suite 200, Tallahassee, Florida 32308 (the "Contractor") which parties may collectively be referred to herein as the "Parties."

WHEREAS, upon following a competitive procurement process, the Consortium and the Contractor entered into an Agreement for Professional Services for General Counsel Services, dated October 22, 2012, as subsequently amended (the "Agreement"); and

WHEREAS, the Agreement expired on September 30, 2022; and

WHEREAS, the Parties desire to extend and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants herein and other good and valuable consideration, the parties hereby agree as follows:

1. Section 3.01 of the Agreement is hereby repealed in its entirety and replaced with the following:

SECTION 3.01. TERM OF AGREEMENT. The term of this Agreement shall be for two-years commencing on October 1, 2022. Following the two-year term ending on September 30, 2024, this Agreement shall automatically renew for additional one-year terms unless earlier terminated by either party upon providing thirty (30) days written notice of termination to the other party.

2. All other provisions of the Agreement shall remain in full force and effect.

WHERETO, the parties have set their hands and seals effective the date whereon the last party executes this Agreement.

GULF CONSORTIUM

NABORS, GIBLIN & NICKERSON, P.A.

Christopher Constance, Chair

Lynn M. Hoshihara, Shareholder

Date: _____

Date: _____

Jack Mariano, Secretary

Date: _____

AGENDA ITEM 9

**Gulf Consortium Board Meeting
June 15, 2023**

**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 January 2023 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 January 2023, 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:

- Yana Matiyuk (Pinellas)
- 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 below:

Accounting and Financial Management

- Updated diagrams

Communication and Public Records

- No substantive changes

Conduct

- C-4 Voting Conflicts: added a sentence that “Gulf Consortium Directors must notify the Gulf Consortium Board and General Manager of any identified potential compliance issues in their own counties related to SEP projects.”

Grants Manual

- GM- 5.4: No grant funds shall be disbursed until the RESTORE Council award and executed subrecipient agreement are in file
- GM- 6.1: replaced DUNS with Uniform Entity Identifier (UEI)

Internal Controls

- Added Grant Funding flow diagram in IC-5.1.2

Procedures Review

- No substantive changes

Procurement

- P-8 Micro Purchase: added a qualifying statement about documentation of conformance with approved budget category (so we only need to do that for micro purchases greater than \$5,000)”

Subrecipient

- S-3: edited to specify that a subrecipient County must make a request in writing for pre-award costs to be included/allowed in a grant application
- S-3: edited to specify that a subrecipient County must make a request in writing for pre-award costs to be included/allowed in a grant application
- S-9. e: in section on subaward requirements, added language to clarify that subrecipients are expected to have sufficient staff with grant management experience to ensure that awards are managed substantial training efforts from Gulf Consortium
- S-10.3: check-in meetings with subrecipient Counties are now quarterly, not twice per year.
- S-17.2 Prior Approvals section:
 - “Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation;”
 - “impact to other SEP projects needs to be identified; A need for any additional non-federal funds to support the project, which requires a monetary amendment to be submitted to and approved by RESTORE Council;”
- S-20.1 SEP Amendment Process: several clarifying edits to indicate roles of subrecipients in the process

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 “2023 – Combined Policies redlined” at <https://www.gulfconsortium.org/policies-and-procedures>

Prepared by:

Dan Dourte
The Balmoral Group
On: June 8, 2023

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved ____; Approved as amended ____; Defeated _____.

AGENDA ITEM 10

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**Agenda Item 10
Grant Applications**

Statement of Issue:

Reminder of upcoming grant application deadline. Two grant amendments for additional funding will be reviewed and one updated application amount is presented.

Background:

The next recommended deadline for submission of grant application materials is 8/12/2023, to allow for staff time to prepare applications for the September 2023 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 Santa Rosa County's project 2-1: \$8.8M for transmission line and Rapid Infiltration Basins (RIBs) construction (additional co-funding of \$297k from the County and \$2.5M from NFWFMD). This will be an amendment to the currently awarded scope for 2-1 Santa Rosa Sound Water Quality Improvement Program (presently includes scope for monitoring program and septic-to-sewer construction). There is an additional funding request for Hernando County's project 14-5: Coastal Stormwater Improvement-Calienta Street; an additional \$2M is being requested to address cost increases. The original grant application amount was \$2.5M in RESTORE bucket 3 funds. The Gulf Consortium's project 24-1 Adaptive Compliance project (funds audits, SEP amendments, financial accounting, and other non-project-specific grant eligible activities) is being extended by an additional 5 years. This was originally awarded as a 3-year project with the intent to amend as needed to align with historical costs accrued. The original 3-year project was \$191,860; the amended 8-year project would be \$589,602.

Attachments:

- None

Options:

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

Prepared by:

Dan Dourte

The Balmoral Group, Grants Administrator

On: June 6, 2023

Project Applications/Amendments Summary Table

| County | Project Name | Milestones | Metrics | Original Amount | Amended Amount | Start Date | End Date | County Risk/ Project Risk |
|------------------------|---|--|---|-----------------|----------------|------------|-----------|------------------------------|
| Santa Rosa | 2-1: Santa Rosa Sound Water Quality Improvement Program | Engineering & Design; Monitoring; Construction | RES002 - Upgrades to stormwater and/or wastewater systems | \$3,460,834 | \$12,313,834 | 05/13/2022 | 5/1/2027 | Low/Med |
| Hernando | 14-5: Coastal Stormwater Improvement- Calienta Street | Monitoring; Construction | RES002 - Upgrades to stormwater and/or wastewater systems | \$2,449,510 | \$4,460,714 | TBD | 8/1/2026 | Low/Med |
| Gulf Consortium | 24-1: Adaptive Compliance | Planning and Compliance | PRM003 - # plans developed | \$176,860 | \$589,602 | 6/18/2020 | 2/28/2029 | Low/Low |

Total Pot 3 funding request: **\$6,087,204** **\$17,364,150**

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 15, 2023

**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 as of May 31, 2023
- b) Income Statement from October 1, 2022 through May 31, 2023

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
On: June 7, 2023

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**Gulf Consortium
Balance Sheet
As of May 31, 2023**

| | <u>May 31, 2023</u> |
|---------------------------------------|-----------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Cash | |
| Grant Account (Wells Fargo) | 1,270.67 |
| Operating Account (Seaside) | 112,599.03 |
| Total Cash | <u>113,869.70</u> |
| Total Checking/Savings | 113,869.70 |
| Accounts Receivable | |
| Accounts Receivable | |
| Adaptive Planning | 38,158.81 |
| Grants Receivable (SEP) | 40,160,142.03 |
| Accounts Receivable (General) | 7,334.00 |
| Total 1100 - Accounts Receivable | <u>40,205,634.84</u> |
| Total Accounts Receivable | 40,205,634.84 |
| Other Current Assets | |
| Other Current Assets | |
| Other Receivables | 3,591.71 |
| Prepaid Expenses | 41,978.93 |
| Total Other Current Assets | <u>45,570.64</u> |
| Total Other Current Assets | <u>45,570.64</u> |
| Total Current Assets | <u>40,365,075.18</u> |
| TOTAL ASSETS | <u>40,365,075.18</u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Payables | |
| Accounts Payable (Grants) | 4,480.92 |
| Accounts Payable (General) | 2,918.15 |
| Total Payables | <u>7,399.07</u> |
| Total Accounts Payable | 7,399.07 |
| Other Current Liabilities | |
| Accrued Liabilities | |
| Accrued Liabilities (Grants) | 40,198,300.84 |
| Total Accrued Liabilities | <u>40,198,300.84</u> |
| Total Other Current Liabilities | <u>40,198,300.84</u> |
| Total Current Liabilities | <u>40,205,699.91</u> |
| Total Liabilities | 40,205,699.91 |
| Equity | |
| Funds Transfers | (59,372.93) |
| Unrestricted Net Assets | 121,292.83 |
| Net Income | 97,455.37 |
| Total Equity | <u>159,375.27</u> |
| TOTAL LIABILITIES & EQUITY | <u>40,365,075.18</u> |

Gulf Consortium
Profit & Loss
 October 2022 through May 2023

| | <u>Adaptive Planning</u> | <u>General Fund</u> | <u>SEP Grants</u> | <u>TOTAL</u> |
|--|--------------------------|---------------------|---------------------|---------------------|
| Income | | | | |
| Adaptive Planning Grant | 25,881.83 | - | - | 25,881.83 |
| Direct Contributions | - | 124,122.00 | - | 124,122.00 |
| Grant Funds - SEP | - | - | 2,204,642.99 | 2,204,642.99 |
| Total Income | <u>25,881.83</u> | <u>124,122.00</u> | <u>2,204,642.99</u> | <u>2,354,646.82</u> |
| Expense | | | | |
| Adaptive Planning | 25,881.83 | - | - | 25,881.83 |
| SEP Grants | - | - | 2,204,642.99 | 2,204,642.99 |
| General Consortium Expenses | | | | |
| Special District Fees | - | 175.00 | - | 175.00 |
| Bank Fees | - | 222.05 | - | 222.05 |
| Meeting Expense | - | 157.08 | - | 157.08 |
| Management Fees | - | 18,200.00 | - | 18,200.00 |
| Legal Fees | - | 1,962.50 | - | 1,962.50 |
| General Consortium Expenses - Other | - | 5,950.00 | - | 5,950.00 |
| Total General Consortium Expenses | <u>-</u> | <u>26,666.63</u> | <u>-</u> | <u>26,666.63</u> |
| Total Expense | <u>25,881.83</u> | <u>26,666.63</u> | <u>2,204,642.99</u> | <u>2,257,191.45</u> |
| Net Income | <u>-</u> | <u>97,455.37</u> | <u>-</u> | <u>97,455.37</u> |

AGENDA ITEM 12

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**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:

Wakulla County's project "8-1: Wakulla Springshed Water Quality Protection Program - Otter Creek WWTF Construction" is will provide improved wastewater treatment capacity and level of treatment. This project is incorporating significant co-funding from FDEP to support advanced treatment. Pre-construction Special Award Condition compliance from the County has been proactive and highly organized. Michelle Metcalf serves as project manager with Wakulla County.

Attachments:

Slides on project 8-1: Wakulla Springshed Water Quality Protection Program - Otter Creek WWTF Construction

Action Required:

None; informational only.

Prepared by:

Dan Dourte, The Balmoral Group
On: June 6, 2023



Project Highlight:

8-1: Wakulla Springshed Water Quality Protection Program - Otter Creek WWTF Construction (Wakulla County)

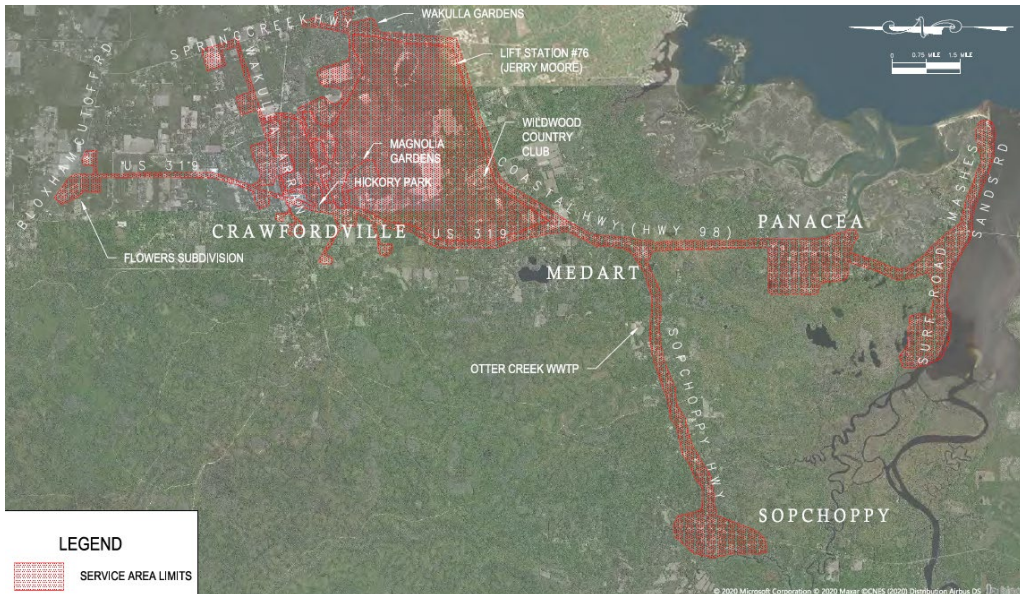
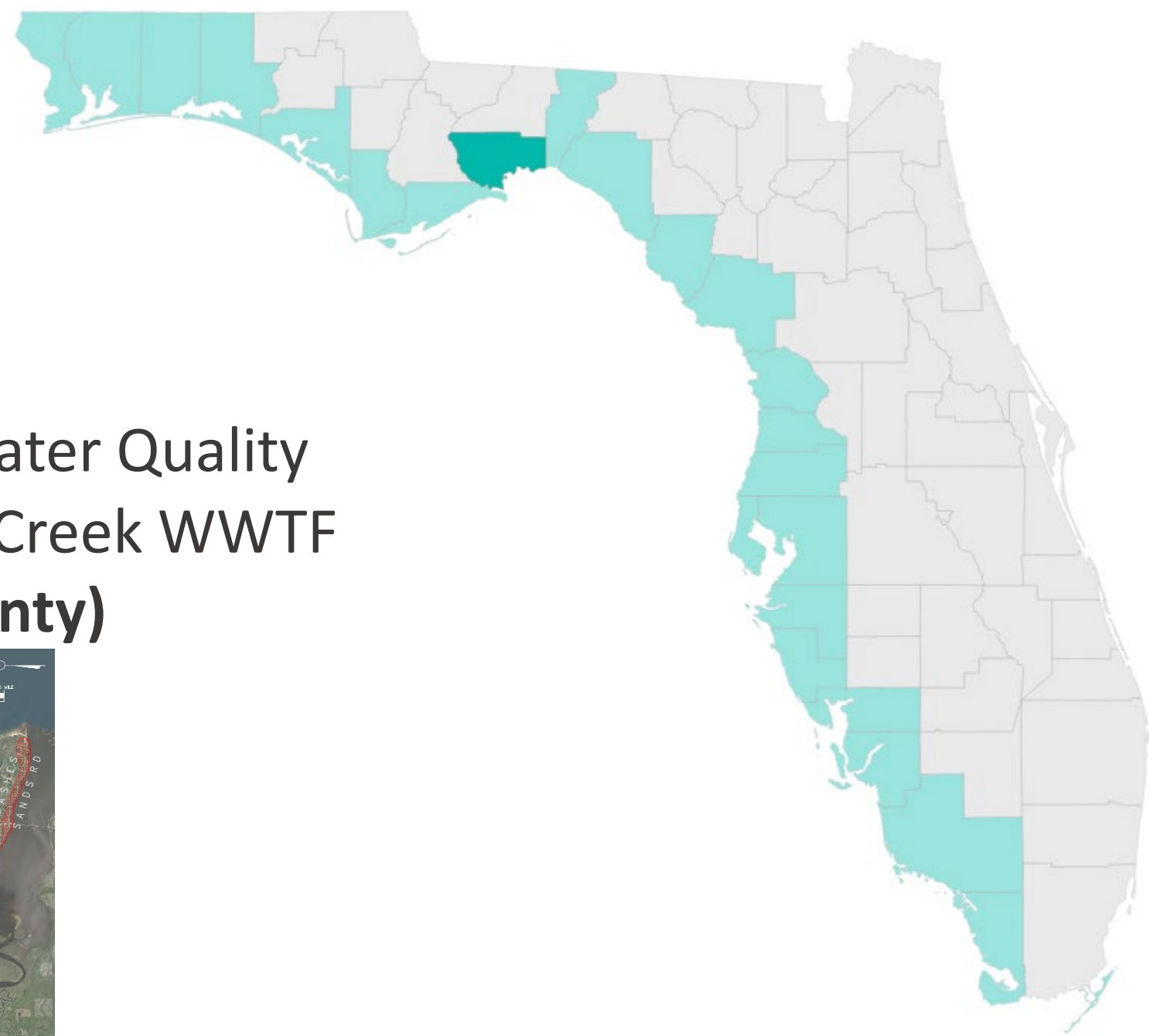


Image credit: Wakulla County



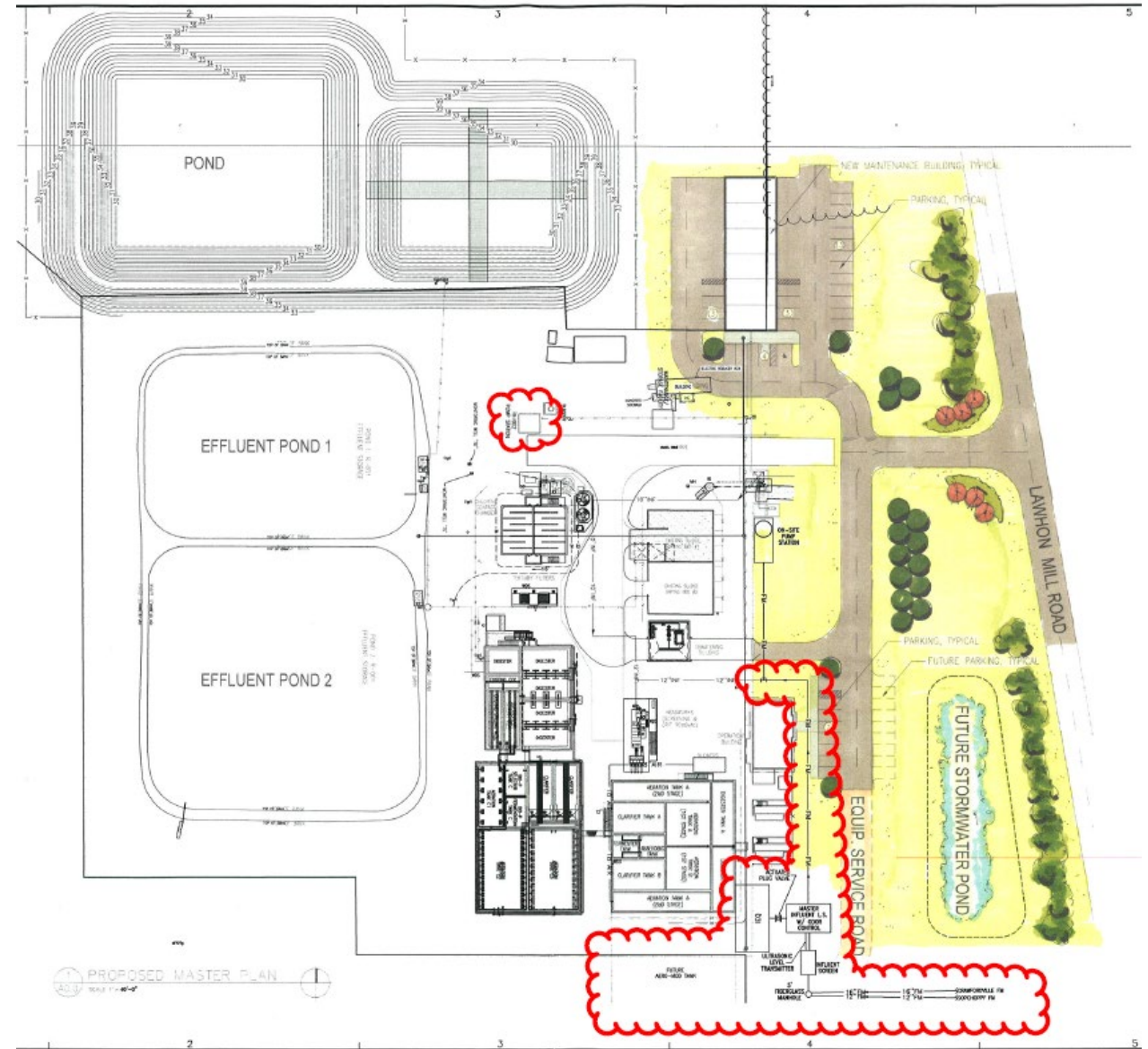
8-1: Otter Creek WWTF Construction (Wakulla County)

Goals:

- Provide capacity and treatment level improvements to the Otter Creek Wastewater Treatment Facility.

Approach:

- RESTORE Council funds and DEP funds are supporting treatment facility upgrades and increasing capacity to 1.8 MGD AADF
- Treatment to Advanced Wastewater Treatment (AWT) standards and Part III Public Access Reuse disinfection standards



8-1: Otter Creek WWTF Construction (Wakulla County)

Key Personnel:

- Michelle Metcalf (Wakulla County)
- David Edwards (Wakulla County)

Background:

- Awarded May 2022
- Construction starting soon

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*



AGENDA ITEM 13

**Gulf Consortium Executive Committee
Meeting June 15, 2023**

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

Statement of Issue:

Update as needed from General Counsel

Action Required:

None, informational only

Prepared By:

Daniel Dourte
The Balmoral Group
June 08, 2023

AGENDA ITEM 14

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**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 38 draw requests, 19 Financial Reports and 18 Performance Reports and accepted 4 awards and 2 amendments (NCE and monetary amendment) during the period. Currently we have 51 grants in various stages of activity and have \$112 million in active grants, with \$30 million under RESTORE review, \$76 million in active awards, and \$5 million closed or withdrawn. Average processing time from original receipt of grant application to award date is 232 days, which is unchanged from one year ago.

Based on the RESTORE training guidance from November, and as reported in January, we scheduled quarterly reviews with all RESTORE Coordinators to stay close to grant activity. The first round is underway, and we have completed 12 reviews already since April of this year.

As part of our agreement with Leon County, staff held its annual review meeting to discuss operations and the 3 basis points fee. Leon County reported that its banking contract has recently been renegotiated, and as a result of higher interest rates, our account fees are already declining. Leon County was satisfied with the 3 basis point fee for an additional year.

Staff is saddened to acknowledge the loss and faithful service of Sen. Detert, who had recently joined the Finance and Budget Committee. We extend the invitation to anyone on the Board that is interested to replace her role on Finance and Budget Committee.

Attachments:

None.

Action Required:

None; informational only.

Prepared by:

Valerie Seidel, The Balmoral Group
On: June 8, 2023

AGENDA ITEM 15

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**Agenda Item 15
Public Comments**

Statement of Issue:

The public is invited to provide comments on relevant issues.

Attachments:

None

Prepared by:

Dan Dourte
The Balmoral Group
On: June 8, 2023

AGENDA ITEM 16

**Gulf Consortium Executive Committee Meeting
June 15, 2023**

**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:

Dan Dourte
The Balmoral Group
On: June 08, 2023