



Escambia County, Florida

**Annual Comprehensive
Financial Report**

Fiscal Year Ended
September 30, 2022

ESCAMBIA COUNTY, FLORIDA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Fiscal Year Ended
September 30, 2022**

*Prepared by:
Pam Childers, CPA
and the Finance Staff
Office of the Clerk of
the Circuit Court and
Comptroller*





Introductory Section

**Certificate of Achievement for
Excellence in Financial Reporting**

County Officials

Table of Contents

Letter of Transmittal

Organization Chart



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Escambia County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Executive Director/CEO

ESCAMBIA COUNTY, FLORIDA COUNTY OFFICIALS

BOARD OF COUNTY COMMISSIONERS

Jeff Bergosh Chair – District 1
Douglas Underhill Vice Chair – District 2
Lumon J. May Commissioner – District 3
Robert Bender Commissioner – District 4
Steven L. Barry Commissioner – District 5

ELECTED COUNTY OFFICERS

Pam Childers Clerk of the Circuit Court and Comptroller
Chris Jones Property Appraiser
Chip Simmons Sheriff
David Stafford Supervisor of Elections
Scott Lunsford Tax Collector

OTHER OFFICIALS

Wes Moreno County Administrator
Alison Rogers County Attorney



ESCAMBIA COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

TABLE OF CONTENTS

INTRODUCTORY SECTION

Certificate of Achievement for Excellence in Financial Reporting	i
County Officials	ii
Table of Contents	iii
Letter of Transmittal	vii
Organization Chart	xiv

FINANCIAL SECTION

Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
<i>Government-wide Financial Statements:</i>	
Statement of Net Position	25
Statement of Activities	26
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	28
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	30
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual - General Fund – County Wide	35
Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – Disaster Recovery Fund	36
Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – Covid Escambia Fund	37
Statement of Net Position – Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	40
Statement of Cash Flows – Proprietary Funds	41
Statement of Fiduciary Net Position – Custodial Funds	43
Statement of Changes in Fiduciary Net Position – Custodial Funds	44
Statement of Net Position – Component Unit	45
Statement of Activities – Component Unit	46
<i>Notes to the Financial Statements</i>	47

Required Supplementary Information:

Schedule of Changes in the County's Total Other Postemployment Benefits (OPEB) Liability & Related Ratios	97
Schedule of the County's Proportionate Share of the Net Pension Liability- Florida Retirement System (FRS) & Health Insurance Subsidy (HIS)	99
Schedule of the County's Contributions – Florida Retirement System (FRS) & Health Insurance Subsidy (HIS)	101
Notes to Required Supplementary Information	103

Other Supplementary Information:*Major Governmental Funds:*

Budgetary Comparison Schedule – Local Option Sales Tax Fund	105
--	-----

General Fund:

Combining Balance Sheet – General Fund by Category	107
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund by Category	109
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund	111

Nonmajor Governmental Funds:

Combining Balance Sheet – All Nonmajor Governmental Funds	122
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – All Nonmajor Governmental Funds	123
Combining Balance Sheet – Nonmajor Governmental Funds – Special Revenue Funds	124
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds - Special Revenue Funds	130

Budgetary Comparison Schedules - Special Revenue Funds:

Escambia County Restricted Fund	136
Economic Development Fund	137
Code Enforcement Fund	138
Mass Transit Fund	139
M & A State Revenue Fund	140
Local Provider Plan	141
Tourist Promotion Fund	142
Other Grant Projects Fund	143
Detention/Jail Commissary Fund	144
Library Fund	145
Misdemeanor Probation Fund	146
Article V Fund	147
Development Review Fund	148
Perdido Key Beach Mouse Fund	149
Restore Fund	150
State Housing Initiative Partnership Fund (SHIP)	151
Law Enforcement Trust Fund	152
Escambia County Affordable Housing Fund	153
CDBG – HUD Entitlement Fund	154
Handicapped Parking Fines Fund	155
Family Mediation Fund	156
Fire Protection Fund	157
Emergency 911 Operations Fund	158
HUD-CDBG Housing Rehabilitation Fund	159
HUD Home Fund	160

Community Redevelopment Agency Fund	161
Bob Sikes Toll Facilities Fund	162
Transportation Trust Fund.....	163
MSBU Assessment Program Fund	164
Master Drainage Basin Fund	165
Clerk Programs	166
Sheriff Programs	167
Supervisor of Elections Programs	168
<i>Budgetary Comparison Schedules – Debt Service Fund</i>	<i>169</i>
<i>Nonmajor – Governmental Fund – Capital Projects Funds.....</i>	<i>170</i>
Combining Statement of Revenues, Expenses, and Changes in Fund Balance – Capital Projects Funds.....	171
<i>Budgetary Comparison Schedules – Non-Lost Capital Projects</i>	<i>172</i>
<i>Budgetary Comparison Schedules – Series 2017 Capital Project Fund.....</i>	<i>173</i>
<i>Budgetary Comparison Schedules – FTA Capital Project Fund.....</i>	<i>174</i>
<i>Nonmajor – Proprietary and Internal Service Funds:</i>	
Combining Statement of Net Position – Nonmajor Proprietary Funds.....	176
Combining Statement of Revenues, Expenses, and Changes in Net Position – Nonmajor Proprietary Funds.....	178
Combining Statement of Cash Flows – Nonmajor Proprietary Funds	179
Combining Statement of Net Position –Internal Service Funds.....	182
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds.....	184
Combining Statement of Cash Flows – Internal Service Funds	185
<i>Fiduciary Funds – Custodial Funds:</i>	
Combining Statement of Fiduciary Net Position – Custodial Funds	188
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds.....	189

STATISTICAL SECTION

<i>Schedule 1</i>	<i>Net Position by Component – Last Ten Fiscal Years</i>	<i>190</i>
<i>Schedule 2</i>	<i>Changes in Net Position – Last Ten Fiscal Years</i>	<i>192</i>
<i>Schedule 3</i>	<i>Fund Balances of Governmental Funds – Last Ten Fiscal Years.....</i>	<i>196</i>
<i>Schedule 4</i>	<i>Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years.....</i>	<i>198</i>
<i>Schedule 5</i>	<i>Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years.....</i>	<i>200</i>
<i>Schedule 6</i>	<i>Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years.....</i>	<i>201</i>
<i>Schedule 7</i>	<i>Principal Property Tax Payers – Current and Nine Years Ago.....</i>	<i>203</i>
<i>Schedule 8</i>	<i>Property Tax Levies and Collections – Last Ten Fiscal Years.....</i>	<i>204</i>
<i>Schedule 9</i>	<i>Schedule of Outstanding Debt by Type – Last Ten Fiscal Years.....</i>	<i>205</i>
<i>Schedule 10</i>	<i>Direct and Overlapping Governmental Activities Debt and Computation of Legal Debt Margin</i>	<i>207</i>
<i>Schedule 11</i>	<i>Pledged Revenue Coverage – Last Ten Fiscal Years.....</i>	<i>208</i>
<i>Schedule 12</i>	<i>Historical Sales Tax Revenue – Last Ten Fiscal Years.....</i>	<i>209</i>

<i>Schedule 13</i>	<i>Pro Forma Debt Service Coverage from Sales Tax – Last Ten Fiscal Years.....</i>	<i>210</i>
<i>Schedule 14</i>	<i>Historical Non-Ad Valorem Revenue – Last Nine Fiscal Years.....</i>	<i>212</i>
<i>Schedule 15</i>	<i>Debt Service Requirements from Non-Ad Valorem Revenue – Last Nine Fiscal Years.....</i>	<i>214</i>
<i>Schedule 16</i>	<i>Demographic and Economic Statistics – Last Ten Fiscal Years.....</i>	<i>216</i>
<i>Schedule 17</i>	<i>Principal Employers – Current and Nine Years Ago.....</i>	<i>217</i>
<i>Schedule 18</i>	<i>Escambia County Government Employees by Function/Program – Last Ten Fiscal Years.....</i>	<i>218</i>
<i>Schedule 19</i>	<i>Operating Indicators by Function/Program – Last Ten Fiscal Years.....</i>	<i>220</i>
<i>Schedule 20</i>	<i>Capital Asset Statistics by Function/Program – Last Ten Fiscal Years.....</i>	<i>221</i>

COMPLIANCE SECTION

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	224
--	-----

Auditor General Compliance:

Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, Rules of the Auditor General	226
---	-----

Deepwater Horizon Oil Spill:

Independent Auditors' Report on the Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill	227
Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill	228

Auditor General Management Letter:

Management Letter	229
-------------------------	-----

Single Audit Compliance:

Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance Required by OMB Circular A-133; and Chapter 10.550, Rules of the Auditor General.....	231
Schedule of Expenditures of Federal Awards and State Financial Assistance.....	234
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.....	238
Schedule of Findings and Questioned Costs.....	239

SUPPORTING FINANCIAL STATEMENTS

Special-Purpose Fund Financial Statements and Required Supplementary Information	
--	--

Escambia County Clerk of the Circuit Court and Comptroller
Escambia County Property Appraiser
Escambia County Sheriff
Escambia County Supervisor of Elections
Escambia County Tax Collector



Pam Childers

Clerk of the Circuit Court and Comptroller, Escambia County

Clerk of Courts • County Comptroller • Clerk of the Board of County Commissioners • Recorder • Auditor

February 17, 2023

To the Honorable Members of the
Board of County Commissioners and
Citizens of Escambia County, Florida

Florida Statutes require that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. We hereby submit the Annual Comprehensive Financial Report of the County of Escambia (County), Florida for the fiscal year ended September 30, 2022, fulfilling this requirement.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, the County has established a comprehensive framework of internal control designed both to protect the government's assets from unauthorized use or disposition, loss or theft, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by an independent firm of certified public accountants, Warren Averett CPAs and Advisors. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2022, are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent audit firm of Warren Averett CPAs and Advisors has issued an unmodified (“clean”) opinion on the Escambia County, Florida financial statements for the year ended September 30, 2022. The independent auditor’s report is located at the front of the Financial Section of this report.

The independent audit of the financial statements of the County was also designed to meet the requirements of the Office of Management and Budget (OMB) Single Audit Act; and the requirements of the Code of Federal Regulations Subpart F of 2 C.F.R. part 200 (Uniform Guidance). The standards governing single audit engagements require the independent auditor to report on the government’s internal controls and compliance with legal requirements with special emphasis on the administration of federal awards and state financial assistance. These reports are in the Compliance Section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management’s Discussion and Analysis (MD&A). The MD&A complements this Letter of Transmittal and the two should be read in conjunction with each other. Escambia County’s MD&A can be found immediately following the Independent Auditors’ Report.

Profile of the County of Escambia, Florida

Escambia County, located in the northwestern part of the state, was established July 21, 1821 as a non-charter government when the Provisional Governor Andrew Jackson signed an ordinance making the County one of the first two counties in Florida. Escambia County is bordered on the west and north by Alabama, on the east by Santa Rosa County and on the south by the Gulf of Mexico. The county encompasses approximately 661 square miles with 64,000 acres of water area and serves a population of approximately 322,699. There are two municipalities within the County, the City of Pensacola, the County seat, and the Town of Century which is located 38 miles from the County seat.

Escambia County is a political subdivision of the State of Florida. As such, it is governed by and derives its operating authority from the constitution and laws of the State of Florida. The County operates under a commission/administrator form of government, with a governing board consisting of five elected County Commissioners who are elected by district to staggered four-year terms. The Chairman presides over the Board and the chair is rotated annually in sequential order by district. In addition to the Board of County Commissioners, there are five elected constitutional officers performing specifically designated governmental functions: The Clerk of the Circuit Court and Comptroller (Clerk), Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector.

The Clerk serves the function of “Clerk to the Board” for County Commissioners. The Clerk also performs the duties of auditor, accountant, recorder and custodian of County funds. Such duties are set forth in the Florida Constitution.

The financial reporting entity (the County) includes all the funds of the primary government (Escambia County Board of County Commissioners) as well as its component unit. Component units are legally separate entities for which the primary government is financially accountable. The County provides a full range of services including fire protection, conservation and resource management, parks and recreation facilities, planning and zoning, transportation, and general administrative services.

Although legally separate entities, the general funds of the Clerk, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector are included as a General Fund component of the County.

The Santa Rosa Island Authority (SRIA) is reported separately as a discrete component unit within Escambia County's financial statements. SRIA operations include management services and leasing activities for County owned property on Santa Rosa Island, better known as Pensacola Beach. For additional information, please refer to the Notes Section of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

Escambia County is located in Florida's Panhandle, along the emerald shores of the Gulf Coast, wherein approximately 785 establishments in the accommodations and food services industry employs an average of 17,902 workers, representing 12.59% of the area workforce. The largest major industry sector is health care and social assistance with 16.67% of the area workforce. There are four major hospitals located in Escambia County, all of which have surgical centers; Baptist Hospital, West Florida Regional Medical Center, Navy Hospital and Sacred Heart Hospital. There are approximately 23,711 employed in health care and other health related services.

The military is a large factor in the area's economy. Navy and Air Force expenditures, including construction, have historically accounted for nearly half the total payroll in the Pensacola metro area. Navy installations include Pensacola Naval Air Station, Saufley Field and Corry Station. Whiting Field is located in Milton Florida, about 30 miles northeast of Pensacola. In neighboring Okaloosa County, Eglin Air Force Base and Hurlburt Field have a favorable economic impact, as well as serving as magnets for high-tech businesses.

Escambia County has two commerce parks. The Heritage Oaks Commerce Park, home to Navy Federal Credit Union, continues to stimulate growth in the local economy by increasing job creation and expanding operations in the area. Navy Federal Credit

Union continues to add regional jobs; with the expected total number of jobs increasing to 10,000 by the year 2026.

Escambia County's unemployment rate has decreased from 4.2% in the previous year to 2.7% in the current fiscal year.

Long-term Financial Planning and Major Initiatives

The vision statement of the county is "Exceeding expectations and leading the way through excellence in service and quality of life."

The mission statement of the county is "To provide efficient, responsive services that enhance the quality of life, meet common needs, and promote a safe and healthy community."

The adopted budget is developed around the framework set by the County's strategic planning initiative. The primary themes of the strategic initiative are to improve customer service, restore public trust and confidence, economic development, maintenance of infrastructure, and fiscal responsibility.

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the General Fund at year end exceeded 2 months of operating expenditures and transfers out. This amount is favorable based on the policy guidelines set by the County for budgetary and planning purposes.

A long term goal is to adopt process improvement methodology to assess our public services, and adopt process improvement is key to improving customer service. If problems arise in processes, the county will undertake a thorough review of the process to determine ways to change and improve them.

Future process improvements include implementation of efficient software for employee timekeeping for all county personnel. The objectives are to reduce costs and increase reporting capabilities.

The County's commitment to customer service and quality is promoted by the continuation of equipping county vehicles with real-time tracking systems. Communication efforts continue to emphasize the fraud-waste-abuse hotline which will provide continuous accountability with the community and employees. These initiatives will provide ways for employees and citizens to become more involved in their government; transparency initiatives are part of the plan to improve service levels to exceed expectations in the future.

The County's long term goal to restore public trust and confidence includes enhancing the relationship between Escambia County government, its citizens and the media through positive public media relations.

The County has a long term goal of promoting activities and programs that improve the quality of life and to build a sustainable, livable community. This includes reviewing the land development code (LDC) with the intent of eliminating inconsistencies and streamlining multiple processes; and, subsidizing the Pensacola Bay Center which is located in downtown Pensacola, adjacent to the I-110 interchange. The Bay Center has approximately 10,000 seats for concerts and other entertainment including the Pensacola Ice Flyers hockey team and the 2022-2025 Sunbelt Basketball Conference. On April 1, 2022, the Commissioners approved Ordinance 2020-33 which levied an additional professional sports franchise facility tax (5th cent) on transient rental transactions.

A long term goal of the county is to foster economic growth and development. The County uses Tax Increment Financing (TIF) Districts to fund a variety of Community Redevelopment Areas (CRA) in the County. For the upcoming fiscal year, the TIF increment was maintained at 75% while the number of budgeted districts remained at 22. These funds are used to pay for infrastructure improvements, neighborhood programs, safety initiatives, and street lighting intended to alleviate blight as well as increase property values in these communities.

Visit Pensacola is the County's Direct Marketing Organization (DMO). As such, it is Visit Pensacola's role to continue to facilitate consolidated marketing and tourism efforts for the greater Pensacola area.

Escambia County continues to work with the Federal government and the State of Florida for project and grant funds associated with the Restore Act, Natural Resource Damage Assessment (NRDA), and the National Fish and Wildlife Federation (NFWF). There is a total of \$162 million in direct and indirect benefit potential to Escambia County as projects are submitted and approved for these funds.

Between 2018 and 2028, the County expects to invest more than \$552 million in infrastructure with the third and fourth cent allocations of the One Cent Local Option Sales Tax (LOST). On November 14, 2014, the citizens of Escambia voted to extend the one-cent local option sales tax for infrastructure for an additional 10 years beginning January 1, 2018; extending the tax to December 2028. The proceeds from this tax will make large investments in infrastructure, road construction, dirt road paving, drainage improvements and vehicle replacement for EMS, Fire, and the Sheriff's office.

The fiscal year 2023 adopted budget increased by \$86.2 million over the prior year to \$568 million. While the total direct millage rate for property tax remained unchanged at 7.661 mills, property values increased by roughly \$20.8 million over the prior year for both the County-wide and unincorporated areas of Escambia County.

Relevant Financial Policies

The County has established a fund balance policy in accordance with GASB Statement No. 54 *“Fund Balance Reporting and Governmental Fund Type Definitions”*. The adopted policy outlines the County’s goal to maintain an unrestricted general fund balance of at least 2 months of regular operating expenditures and transfers out, to mitigate risks of either natural or man-made disasters and to provide for revenue shortfalls.

The County has implemented GASB Statement No 68 *“Accounting and Financial Reporting for Pensions”* and GASB Statement No 71 *“Pension Transition for Contributions Made Subsequent to the Measurement Date”* to recognize its unfunded portion of the statewide plan as a liability. The County provides pension benefits for all employees through a statewide plan managed by the Florida Department of Management Services, Division of Retirement. The statewide plan is a contributory plan. The liability has been recorded in accordance with GASB requirements. The County obligation to fund employee pension benefits offered through FRS is based on payments to the Division of Retirement calculated using prescribed contribution rates that include normal cost and the unfunded actuarial liability (UAL).

The County has implemented GASB Statement No 75 *“Accounting and Financial Reporting for Postemployment Benefits Other Than Pension”* to recognize its unfunded liability. The County provides postemployment benefits at the same rate as active participants. While a liability has been recorded in accordance with GASB requirements, there is no requirement for a funded plan. All approved benefits are budgeted and paid when due.

The County has implemented GASB Statement No 87 *“Leases”*. GASB Statement No. 87 enhances the relevance and consistency of information of the government’s leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right-to-use and underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the County’s 2022 financial statements but had no effect on the beginning net position since the deferred inflows equal the amount of the lease receivable.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Escambia County for its comprehensive annual financial report for the fiscal year ended September 30, 2021. This was the 26th consecutive year that Escambia County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, Escambia County must publish an easily readable and efficiently organized annual

comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another Certificate.

Escambia County also received the GFOA's Distinguished Budget Presentation Award for its Annual Budget Document for fiscal year beginning October 1, 2021. This is the 26th consecutive year that Escambia County has received this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communication device.

The preparation of this comprehensive annual financial report would not have been possible without the skill, effort, and dedication of the entire financial staff of the Clerk of the Circuit Court and Comptroller. I would like to express my appreciation to the Financial Reporting and Audit Department: Sharon Harrell, Finance Director; Tammy Plant, Manager; Beth Parker, Kara Cowen, Harold Coats, Ashley Dodds, and Shannon Erdwins. I also wish to thank all government departments for their assistance in providing the data necessary to prepare this report.

Respectfully submitted,

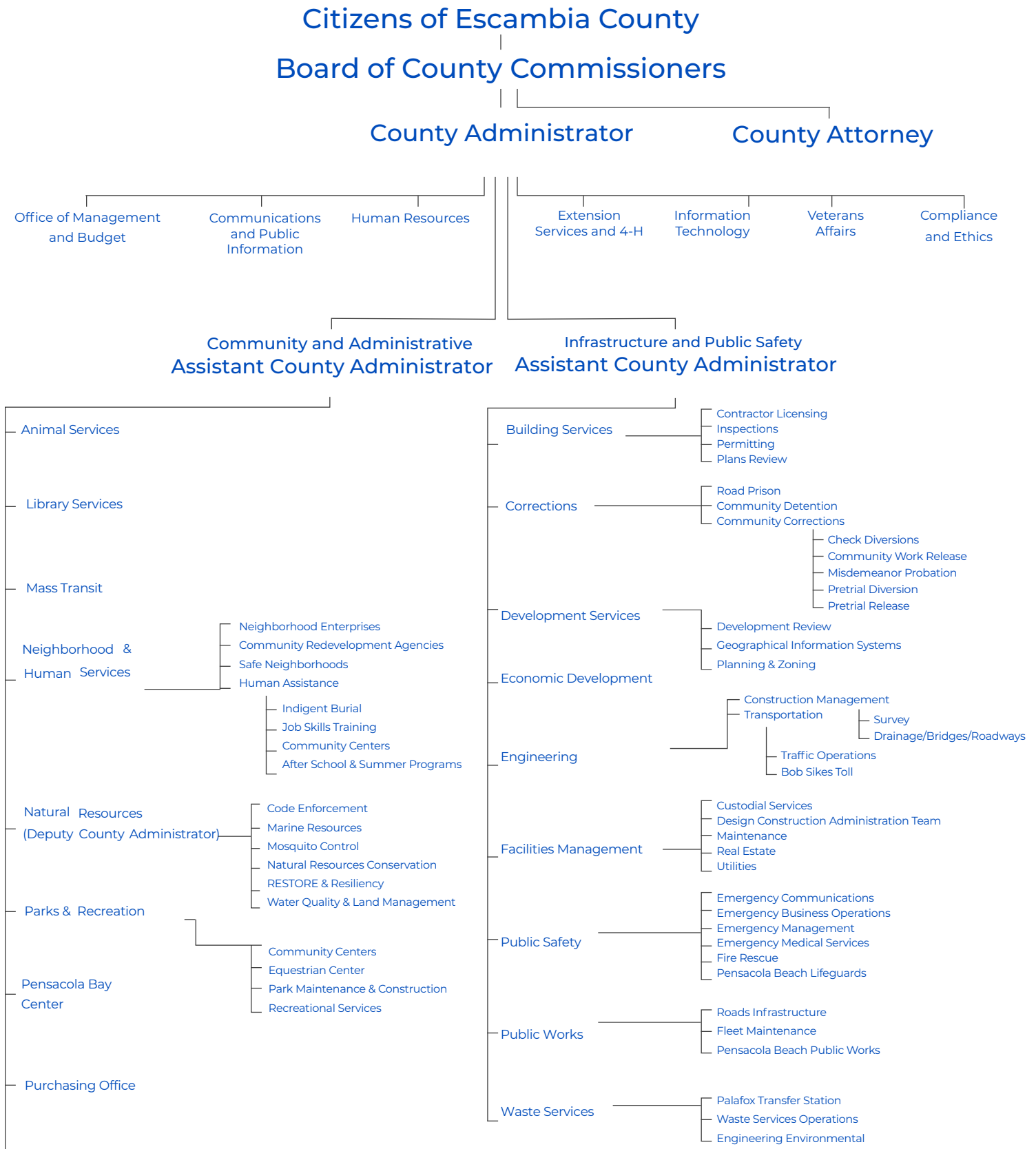
Pam Childers

Pam Childers

Honorable Pam Childers
Clerk of the Circuit Court & Comptroller



Escambia County Board of County Commissioners Organizational Chart



Financial Section

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information



INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners
Escambia County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Escambia County, Florida, (hereinafter referred to as "County") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2022, and the respective changes in financial position, where applicable, cash flows thereof, the respective budgetary comparison for the General Fund, COVID Escambia Fund, Disaster Recovery Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Santa Rosa Island Authority, a business type activities-discretely presented component unit, as of September 30, 2022, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Santa Rosa Island Authority, is based solely on the report of the other auditors.

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 the 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 County and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relation to our audit. We believe 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 County's

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 County'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 County'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, schedule of the County's proportionate share of the net pension liability, the schedule of the County's contributions, and schedule of changes in the County's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 County's basic financial statements. The combining and individual fund financial statements and individual budgetary schedules 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 by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2023 on our consideration of the County'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 the 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 County's internal control over financial reporting and compliance.



Pensacola, Florida
February 17, 2023



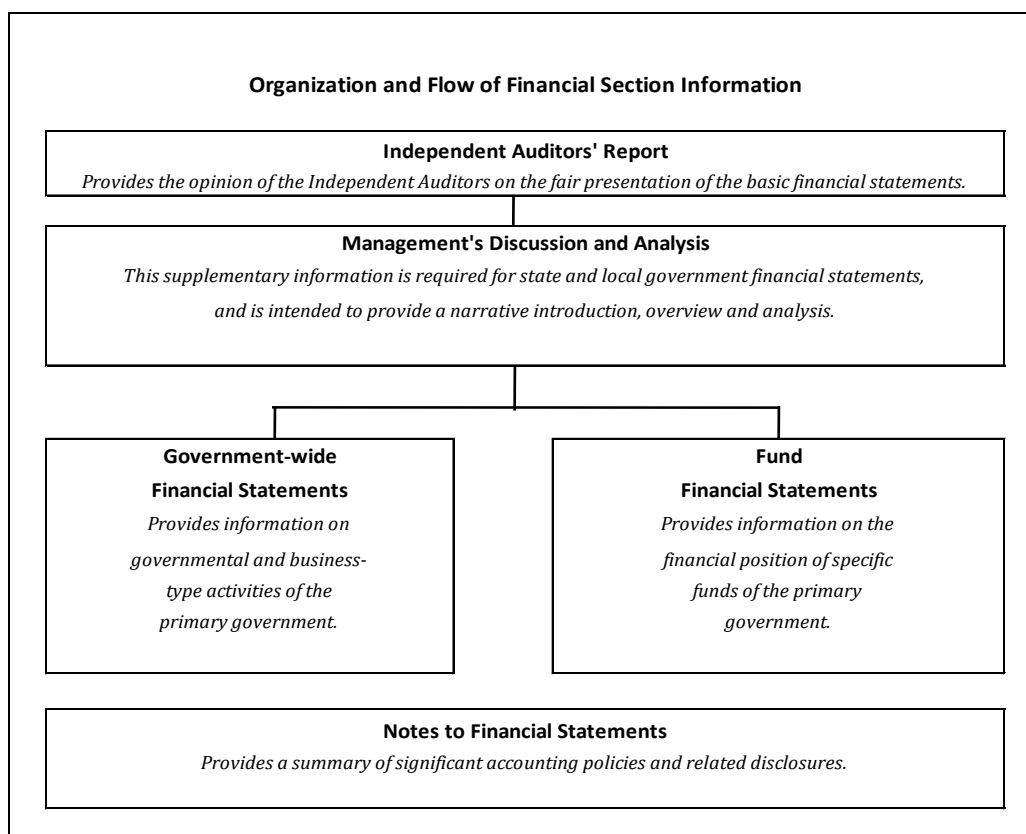
This Management's Discussion and Analysis ("MD&A") presents the readers of the financial statements a narrative overview of the financial activities of Escambia County, Florida (the "County") for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the Letter of Transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$853,125,212 (net position). Of this amount, (\$65,207,952) represents unrestricted deficit net position.
- The County's total net position increased by \$145,461,337, governmental activities increased by \$135,382,395, and business-type activities increased by \$10,078,942.
- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$354,410,268, an increase of \$111,836,233 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance available for spending at the government's discretion for the General Fund was \$25,710,675 or 11% of total general fund expenditures and transfers out.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the General Fund was \$77,381,646, or approximately 33.2% of total general fund expenditures and transfers out.
- Governmental funds revenues increased \$100,654,593 or 23.5 % from the prior fiscal year primarily due to increases in Ad Valorem Tax revenue, Tourist Development Tax revenue, and Local Option Sales Tax revenue. Intergovernmental revenue increases were attributed to FEMA reimbursements for repair of damages resulting from Hurricane Sally. Special Assessments revenue increased with the establishment of a Local Provider Participation Fund to impose an assessment upon certain real property owned by local hospitals to assist in financing the non-federal share of the State's Medicaid program. Revenue from interest declined during the fiscal year.
- At the end of the current fiscal year, the net pension liability increased \$130,430,913 for governmental funds and \$13,135,755 for business-type activities for an ending net pension liability of \$226,508,563, an approximate increase of 173.09% from the prior fiscal year end. These liabilities are actuarially determined and provided by the State of Florida Retirement System (FRS). The change in the actuarial liability primarily relates to the market performance of investments for outpacing projected investment growth. The County's actual contributions to FRS are located in the required supplementary information.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.



Government-wide financial statements

The *government-wide financial statements*, which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference 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 County is improving or deteriorating. Additionally, nonfinancial factors, such as a change in the County's property tax base or the condition of County facilities and infrastructure, should be considered to assess the overall health of the County.

The *statement of activities* presents information showing how the government'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 related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, culture/recreation, and court related

activities. The business-type activities of the County include solid waste disposal/landfill operations, emergency medical/ambulance services, building inspections, and the Pensacola Bay Center (Bay Center).

The government-wide financial statements include not only the County itself (known as the primary government) but also the legally separate entity of the Santa Rosa Island Authority (SRIA) for which the County is financially accountable and has a financial benefit/burden relationship. This entity is known as a "component unit". Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The County's component unit will not be addressed in this MD&A.

Fund financial statements

A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains dozens of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Disaster Recovery Fund, Covid Escambia Fund, and Local Option Sales Tax (LOST) Capital Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the other supplementary information section of this report.

The County adopts an annual appropriated budget for its general, special revenue, debt service, and capital projects funds. Budgetary comparison statements have been provided for the General Fund and major special revenue funds to demonstrate budgetary compliance. Due to the nature of the Disaster Recovery Fund, the original budget is generally adopted with an appropriation of zero.

The County maintains two different types of *proprietary funds*. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to solid waste disposal/landfill operations, emergency medical/ambulance services, building inspections, and the Bay Center. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses the internal service fund to account for fleet and fuel activities, insurance activities and for certain costs related to the Clerk of Circuit Court and Comptroller's compensated absences policy. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste and Emergency Medical Service (EMS) funds, which are considered to be major funds of the County. Non-major funds include the Inspection and Bay Center funds, which are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of these non-major enterprise funds are provided in the form of combining statements in the other supplementary information section of this report. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for internal service funds are also provided in the form of combining statements in the other supplementary information section of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is similar to proprietary funds. The County only has custodial funds.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, *required supplementary information* is presented concerning the County's changes in total OPEB liability and related ratios for providing other post employment benefits (OPEB) to its employees; and for the County's proportionate share of the net pension liability and contributions for employee participation in the Florida Retirement System pension plan and health insurance subsidy program.

The *other supplementary information* section contains the combining statements referred to earlier in connection with nonmajor governmental funds, proprietary and internal service funds, and fiduciary funds, along with budgetary comparison schedules for the County's major capital project fund, LOST, and for all nonmajor governmental funds.

Government-wide Financial Analysis

Net position over time may serve as a useful indicator of a government's financial position. For the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$853,125,212 at the close of the most recent fiscal year.

At the end of fiscal year 2022, the County is able to report positive balances in restricted categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities. Negative unrestricted net position was reported for governmental activities. The same situation held true for the prior fiscal year.

The County's restricted net position represents resources that are subject to external restrictions on how they may be used. The County's restricted net position is primarily for capital projects and other special revenue purposes. The largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, and equipment); less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance (\$65,207,952) is

ESCAMBIA COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

unrestricted net position. Unrestricted net position is primarily negative due to the effect of the recognition of the net pension liability in accordance with GASB 68. Additionally, beginning balances from fiscal year 2021 were not updated for the effects of GASB 87 implementation in fiscal year 2022.

Escambia County, Florida
Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 480,588,624	\$ 337,505,253	\$ 96,731,712	\$ 85,431,499	\$ 577,320,336	\$ 422,936,752
Capital Assets (Net)	748,289,294	732,602,244	50,280,921	47,456,215	798,570,215	780,058,459
Total Assets	1,228,877,918	1,070,107,497	147,012,633	132,887,714	1,375,890,551	1,202,995,211
Total Deferred Outflow of Resources	60,163,816	46,639,073	4,941,903	3,810,085	65,105,719	50,449,158
Current and Other Liabilities	99,878,354	79,513,446	5,612,336	3,461,428	105,490,690	82,974,874
Long-term Liabilities	415,079,258	286,482,081	40,122,173	25,273,211	455,201,431	311,755,292
Total Liabilities	514,957,612	365,995,527	45,734,509	28,734,639	560,692,121	394,730,166
Total Deferred Inflow of Resources	26,366,544	138,415,860	812,393	12,634,468	27,178,937	151,050,328
Net Position:						
Net Investment in Capital Assets	603,172,837	581,075,553	50,280,921	47,456,215	653,453,758	628,531,768
Restricted	264,879,406	205,956,455	-	-	264,879,406	205,956,455
Unrestricted	(120,334,665)	(174,696,825)	55,126,713	47,872,477	(65,207,952)	(126,824,348)
Total Net Position	\$ 747,717,578	\$ 612,335,183	\$ 105,407,634	\$ 95,328,692	\$ 853,125,212	\$ 707,663,875

The County's total net position increased \$145,461,337 from the prior year. Key reasons for the overall increase are presented in the following pages for governmental and business-type activities.

ESCAMBIA COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues:						
Charges for Services	\$ 102,730,801	\$ 67,873,754	\$ 51,753,449	\$ 48,243,445	\$ 154,484,250	\$ 116,117,199
Operating Grants and Contributions	97,828,444	59,844,018	-	453,713	97,828,444	60,297,731
Capital Grants and Contributions	13,977,791	8,061,507	2,224,192	936,181	16,201,983	8,997,688
General Revenues:						
Property Taxes	151,003,488	142,198,010	-	-	151,003,488	142,198,010
Other Taxes	149,465,944	132,834,341	-	-	149,465,944	132,834,341
Other	21,854,913	18,043,329	(364,000)	275,487	21,490,913	18,318,816
Total Revenues	536,861,381	428,854,959	53,613,641	49,908,826	590,475,022	478,763,785
EXPENSES						
General Government	82,812,479	59,152,120	-	-	82,812,479	59,152,120
Public Safety	199,494,788	195,542,995	-	-	199,494,788	195,542,995
Physical Environment	6,098,389	7,566,845	-	-	6,098,389	7,566,845
Transportation	53,725,827	59,547,817	-	-	53,725,827	59,547,817
Economic Environment	20,994,760	13,307,224	-	-	20,994,760	13,307,224
Human Services	6,575,581	38,121,640	-	-	6,575,581	38,121,640
Culture/Recreation	10,954,824	12,738,596	-	-	10,954,824	12,738,596
Court-Related	14,650,738	17,749,654	-	-	14,650,738	17,749,654
Interest on Long-term Debt	5,677,434	5,813,140	-	-	5,677,434	5,813,140
Solid Waste	-	-	13,762,955	10,905,374	13,762,955	10,905,374
Emergency Management Services	-	-	19,256,473	14,525,941	19,256,473	14,525,941
Inspection Fund	-	-	3,571,537	2,929,235	3,571,537	2,929,235
Bay Center	-	-	7,437,900	4,858,550	7,437,900	4,858,550
Total Expenses	400,984,820	409,540,031	44,028,865	33,219,100	445,013,685	442,759,131
Excess (Deficiency) Before Transfers	135,876,561	19,314,928	9,584,776	16,689,726	145,461,337	36,004,654
Transfers	(494,166)	(193,172)	494,166	193,172	-	-
Change in Net Position	135,382,395	19,121,756	10,078,942	16,882,898	145,461,337	36,004,654
Beginning Net Position	612,335,183	593,213,427	95,328,692	78,445,794	707,663,875	671,659,221
Ending Net Position	<u>\$ 747,717,578</u>	<u>\$ 612,335,183</u>	<u>\$105,407,634</u>	<u>\$ 95,328,692</u>	<u>\$ 853,125,212</u>	<u>\$ 707,663,875</u>

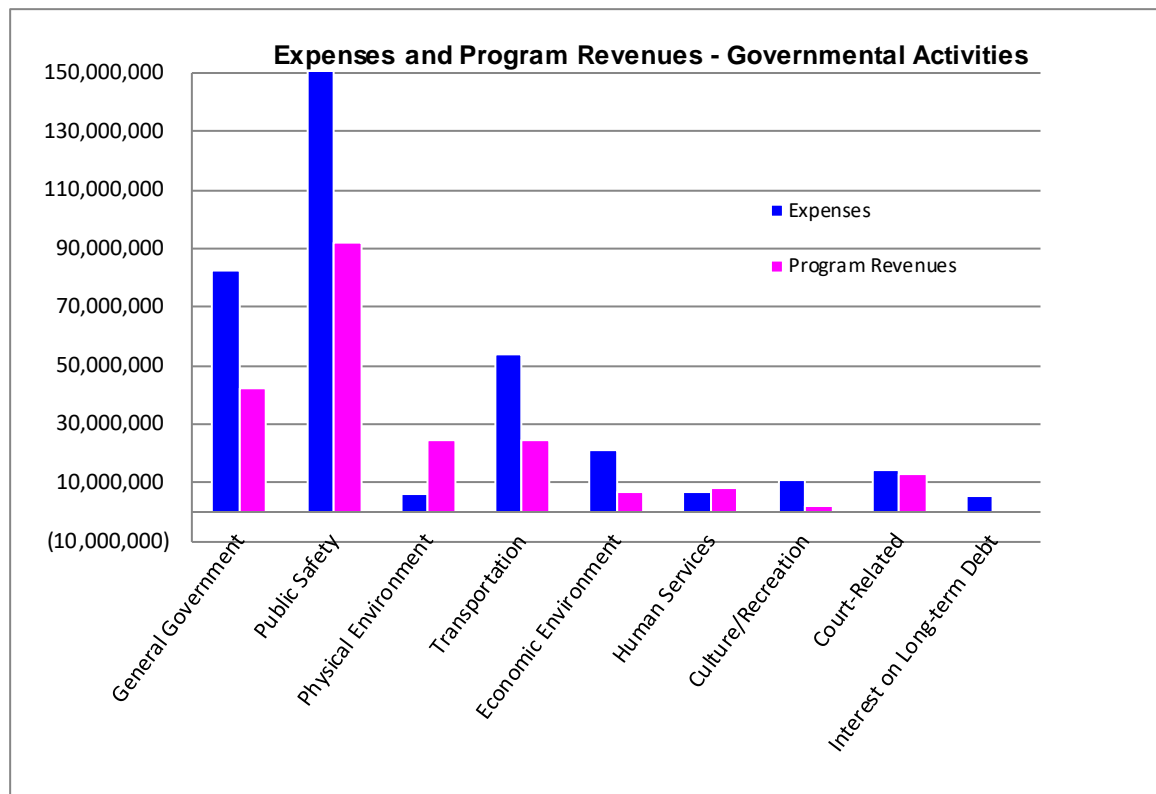
Governmental Activities

Governmental activities increased the County's net position by \$135,382,395 from the prior fiscal year for an ending balance of \$747,717,578. Nearly \$33 million of this increase is from the Local Provider Participation Fund through which hospitals are levied a special assessment to support additional funding for Medicaid payments. Although millage rates remained the same, property tax revenue increased due to rising taxable assessed values. Tourist Development Tax and Local Optional Sales Tax revenues also increased. Operating grants and revenue increased primarily through revenue received from FEMA for repairs of damages caused by Hurricane Sally.

The Public Safety function expenses increased \$3,951,793 primarily due to salary increases for Public Safety staff in addition to a reversal of Net Pension Liability reduction from the prior year. Expenditures under the General Government increased \$23,660,359 primarily due to the addition of the Local Provider Participation Fund. These increases were offset by a decreased Human Services expense due to the finality of CARES expenditures provided to individuals and businesses to mitigate the economic impact of the COVID-19 pandemic.

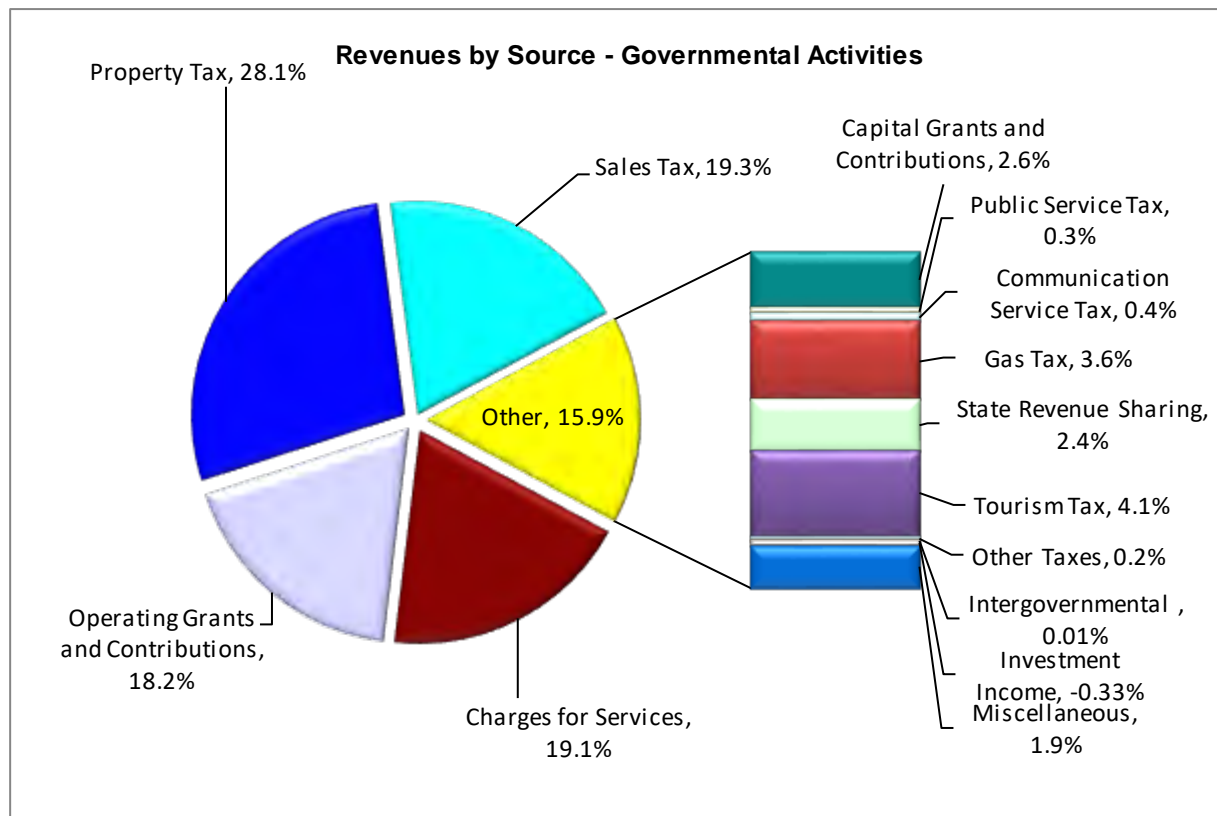
Expenses and Program Revenues – Governmental

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General Government	\$ 82,812,479	20.7%	\$ 42,619,607	19.9%	\$ (40,192,872)
Public Safety	199,494,788	49.8%	92,006,672	42.9%	(107,488,116)
Physical Environment	6,098,389	1.5%	24,507,538	11.4%	18,409,149
Transportation	53,725,827	13.4%	24,762,202	11.5%	(28,963,625)
Economic Environment	20,994,760	5.2%	7,014,246	3.3%	(13,980,514)
Human Services	6,575,581	1.6%	8,487,325	4.0%	1,911,744
Culture/Recreation	10,954,824	2.7%	2,217,150	1.0%	(8,737,674)
Court-Related	14,650,738	3.7%	12,922,296	6.0%	(1,728,442)
Interest on Long-term Debt	5,677,434	1.4%	-	-	(5,677,434)
	<u>\$ 400,984,820</u>	<u>100.0%</u>	<u>\$ 214,537,036</u>	<u>100.0%</u>	<u>\$ (186,447,784)</u>



Revenue by Source – Governmental Activities

<u>Description</u>	<u>Revenues</u>	<u>% of Total</u>
Charges for Services	\$ 102,730,801	19.1%
Operating Grants & Contributions	97,828,444	18.2%
Capital Grants & Contributions	13,977,791	2.6%
Property Tax	151,003,488	28.1%
Sales Tax	103,510,983	19.3%
Public Service Tax	1,579,683	0.3%
Communication Service Tax	2,149,654	0.4%
Gas Tax	19,534,212	3.6%
State Revenue Sharing	13,127,395	2.4%
Tourist Development Tax	21,816,411	4.1%
Other Taxes	875,001	0.2%
Intergovernmental Revenues	42,644	0.01%
Investment Income (Loss)	(1,764,009)	-0.33%
Miscellaneous	10,448,883	1.9%
	<u>\$ 536,861,381</u>	<u>100.0%</u>



Business-type Activities

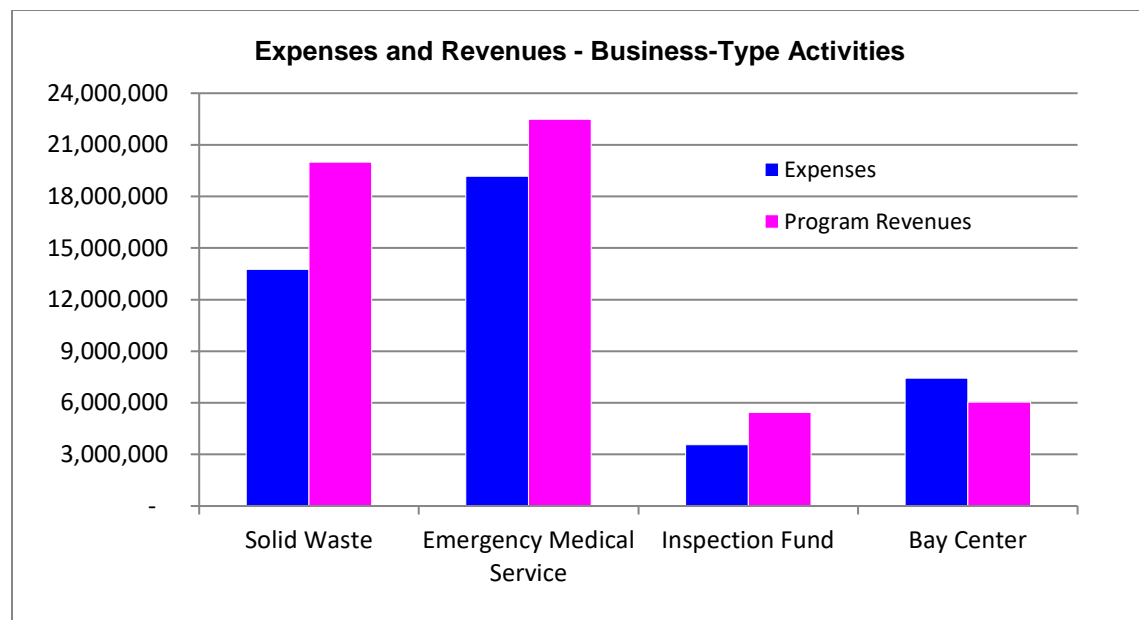
Business-type activities increased the County's net position by \$10,078,942, a 10.57% increase from the prior fiscal year, for an ending balance of \$105,407,634. Charges for services contributed 95.88% of the total program revenues for the County's business-type activities. Solid Waste's decrease in revenue was due to reduced charges for service following Hurricane Sally clean-up efforts in fiscal year 2021. EMS program revenues exceeded expenses primarily due to increased services, rate increases, and decreased transfers out. The Bay Center expenses exceeded program revenues, and operations were subsidized by a transfer from the Tourist Promotion Fund. The Bay Center experienced a slight recovery from the prior fiscal year as COVID-19 restrictions loosened. However, the loss in program revenue/expense directly related to the COVID-19 pandemic produced a combination that was not sufficient to cover operating costs and required maintenance.

ESCAMBIA COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>% of Total</u>	<u>Program Revenues</u>	<u>% of Total</u>	<u>Net (Expense) Revenue</u>
Solid Waste	\$ 13,762,955	31.3%	\$ 19,994,283	37.0%	\$ 6,231,328
Emergency Medical Service	19,256,473	43.7%	22,491,985	41.7%	3,235,512
Inspection Fund	3,571,537	8.1%	5,445,022	10.1%	1,873,485
Bay Center	<u>7,437,900</u>	<u>16.9%</u>	<u>6,046,351</u>	<u>11.2%</u>	<u>(1,391,549)</u>
	<u>\$ 44,028,865</u>	<u>100.0%</u>	<u>\$ 53,977,641</u>	<u>100.0%</u>	<u>\$ 9,948,776</u>

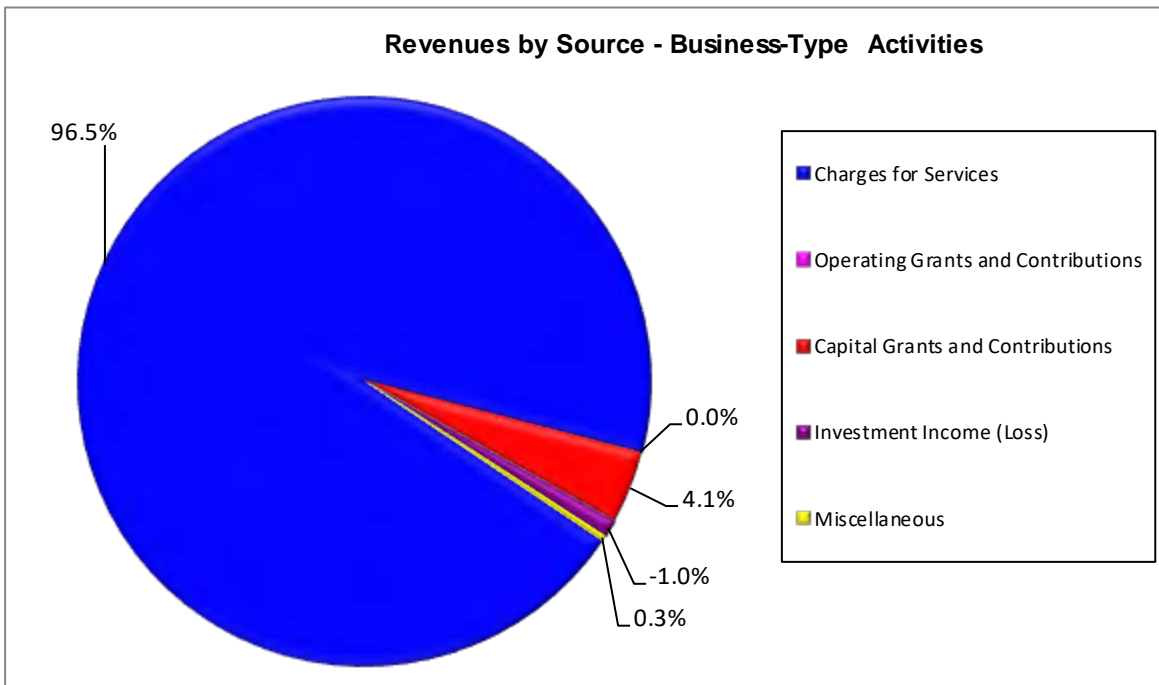
% Revenue over Expenses

Solid Waste	45.3%
Emergency Medical Service	16.8%
Inspection Fund	52.5%
Bay Center	-18.7%



Revenues by Source – Business-type Activities

<u>Description</u>	<u>Revenues</u>	<u>% of Total</u>
Charges for Services	\$ 51,753,449	96.5%
Operating Grants and Contributions	-	0.0%
Capital Grants and Contributions	2,224,192	4.1%
Investment Income (Loss)	(548,284)	-1.0%
Miscellaneous	184,284	0.3%
	<u>\$ 53,613,641</u>	<u>100.0%</u>



Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

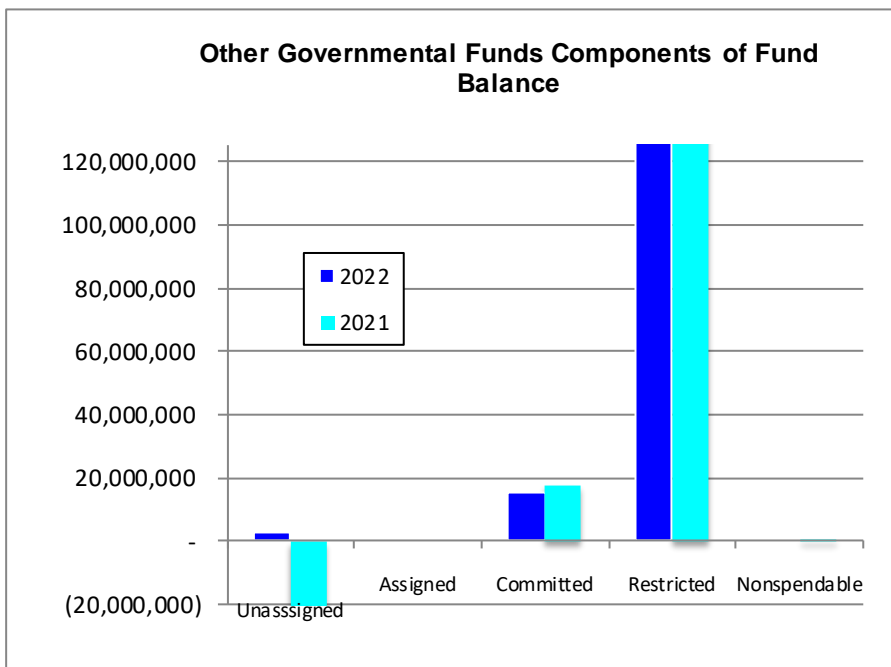
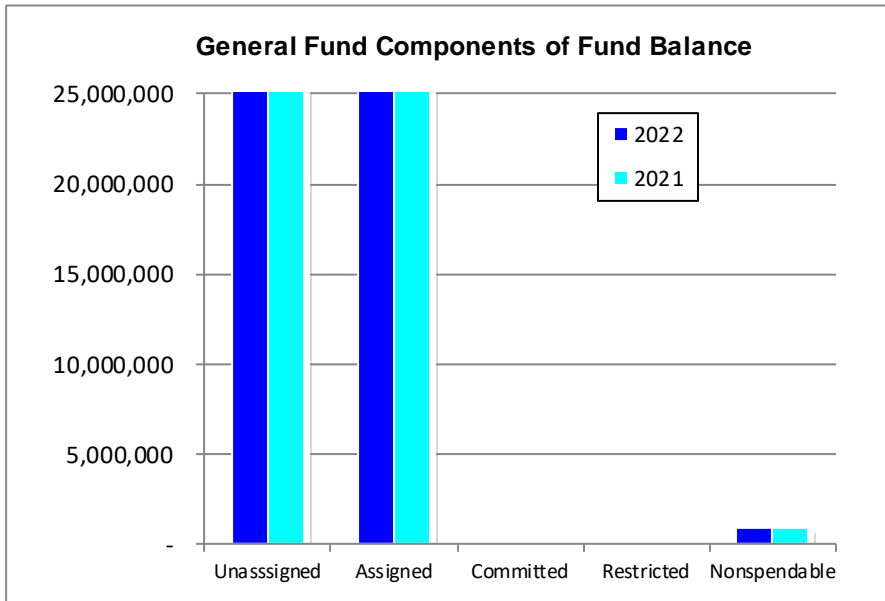
The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not been limited to use for a particular purpose by either an external party, the County itself, or a group or individual

that has been delegated authority to assign resources for use for particular purposes by the County's Board of County Commissioners.

At the end of fiscal year 2022, the County's governmental funds reported combined fund balances of \$354,410,268, an increase of \$111,836,233 in comparison with the prior year. Approximately 6% of this amount, \$22,286,155 constitutes *unassigned fund balance*. This increase is primarily due to amounts spent for Hurricane Sally recovery in a prior year that have been reimbursed by FEMA in the current year. The remainder of the fund balance is either nonspendable, restricted, committed or assigned. *Restricted* fund balances of \$263,729,557 represent amounts that can only be spent for specific purposes as stipulated by external resource providers either constitutionally or through enabling legislation such as Florida Statutes, laws and regulations or grantors. *Committed fund balances* of \$15,148,515 represent amounts committed by County ordinance, whereas *assigned fund balances* of \$51,670,971 consists of funds budgeted in the subsequent year to balance the 2023 budget. *Nonspendable fund balances* are not available for spending because they are not in spendable form, or are legally required to be maintained intact. The ending *nonspendable fund balances* consists of \$1,575,070 for inventories.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25,710,675 while total fund balance increased to \$78,316,413. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 12.1% of the total General Fund expenditures, while total fund balance represents 37% of that same amount.

The following graphs represent the components of fund balance in the General Fund, and the components of fund balance in the other governmental funds:

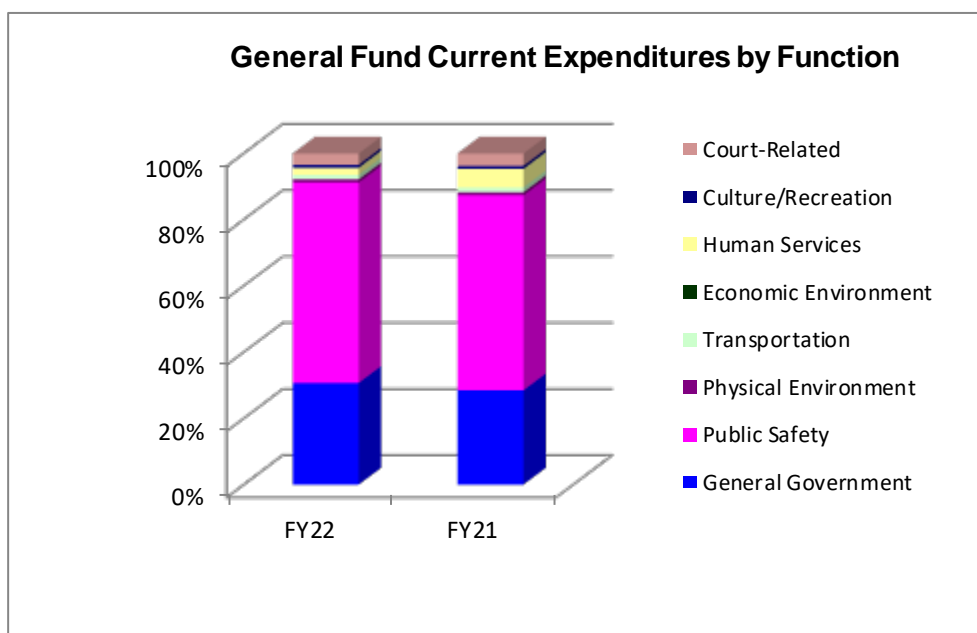


The decrease in fund balance of the County's General Fund was \$3,858,083 during the current fiscal year. This is a change of (\$6,486,788) when compared to the prior year decrease.

Key factors affecting this are as follows:

- The overall increase in revenues and transfers in over fiscal year 2021 were primarily attributable to increases in property tax revenues due to higher certified property values, and increases in sales/fuel taxes and state revenue sharing as COVID-19 restrictions were eliminated.
- There was an overall increase in expenditures and transfers out over fiscal year 2021; increases in General Government were due primarily a result of the expiration federal programs designed to aid with costs related to COVID-19, such as the Emergency Paid Sick Leave Act (EPSLA), which reduced salary expenses in the prior year.

The following graph displays the General Fund's current expenditures by function for FY22 and FY21 (it does not include debt service or other financing uses).



The Disaster Recovery Fund was established to account for the costs and related funding assistance from state and federal sources for hurricane or other major disaster events. The fund balance of \$6,099,079 is the result of reimbursements from FEMA for damage repairs resulting from Hurricane Sally. An advance from the LOST Fund provided the initial resources to pay for these costs and the advance were be paid off as reimbursement were received. In 2022, the County collected approximately \$66 million from federal sources.

The Covid Escambia Fund was established to account for the costs and related funding assistance from federal sources collected and disbursed pursuant to the American Recovery Plan Act of 2021 in response to the COVID-19 Pandemic. The County recorded \$4 million in revenue and \$57 million in unearned grants in 2022.

The Local Option Sales Tax Fund's primary revenue is a 1% local option sales tax imposed by Escambia County, which was restricted by voter referendum primarily for capital projects and public safety expenditures. At the end of the current fiscal year, restricted fund balance was \$173,701,137 or 413% of the fund's total expenditures and transfers out. Local option sales tax revenue includes a 16% increase in the sales tax revenue, driven by improvements in the local economy and the elimination of COVID-19 restrictions; fund balance increased by \$30,659,696. Capital expenditures decreased \$3,970,177 or -12.3% over the prior year for infrastructure, transportation and drainage projects. Even though the revenue source is stable and predictable, the planning, budgeting, and execution of large projects results in variances from year to year in the amount of actual expenditure for projects.

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Solid Waste and the Emergency Medical Service Funds are reported as major enterprise funds. The Inspection and Bay Center Funds are reported as non-major enterprise funds. As previously discussed, the internal service fund is combined with governmental funds to arrive at governmental activities.

Unrestricted net position of proprietary funds at the end of the year amounted to:

	Unrestricted Net Position	
	<u>2022</u>	<u>2021</u>
Solid Waste	\$ 45,061,680	\$ 42,131,570
Emergency Medical Service	(141,376)	(1,599,054)
Inspection	8,912,399	6,914,581
Bay Center	1,294,011	425,380
	<u>\$ 55,126,714</u>	<u>\$ 47,872,477</u>

Unrestricted net position for proprietary funds increased \$7,254,237, which is a 15.15% increase from the prior fiscal year. The total change in net position for proprietary funds for the Solid Waste, Emergency Medical Services, Inspection and Bay Center funds was \$5,141,443, \$2,890,388, \$1,938,514 and \$108,597, respectively. Solid Waste increases are due to franchise fees and dumping fees, which were attributable to increased tonnage from debris, construction and demolition waste. Emergency Medical Services reported increased revenue from charges for service, and decreased transfers out.

General Fund Budgetary Highlights

The General Fund's original budget was increased by \$41,554,884, to arrive at the final amended budget for expenditures and transfers out. During the year, there was a need to make an amendment to reallocate appropriations among departments when the prior year fund balances were finalized and purchase commitments were approved for re-budgeting. Generally, the movement between departments was not significant. The largest changes were to general government due to delayed budgeting of unrestricted fund balance, primarily derived from reimbursements of prior year CARES Act expenditures. The changes within functions are summarized in the following table.

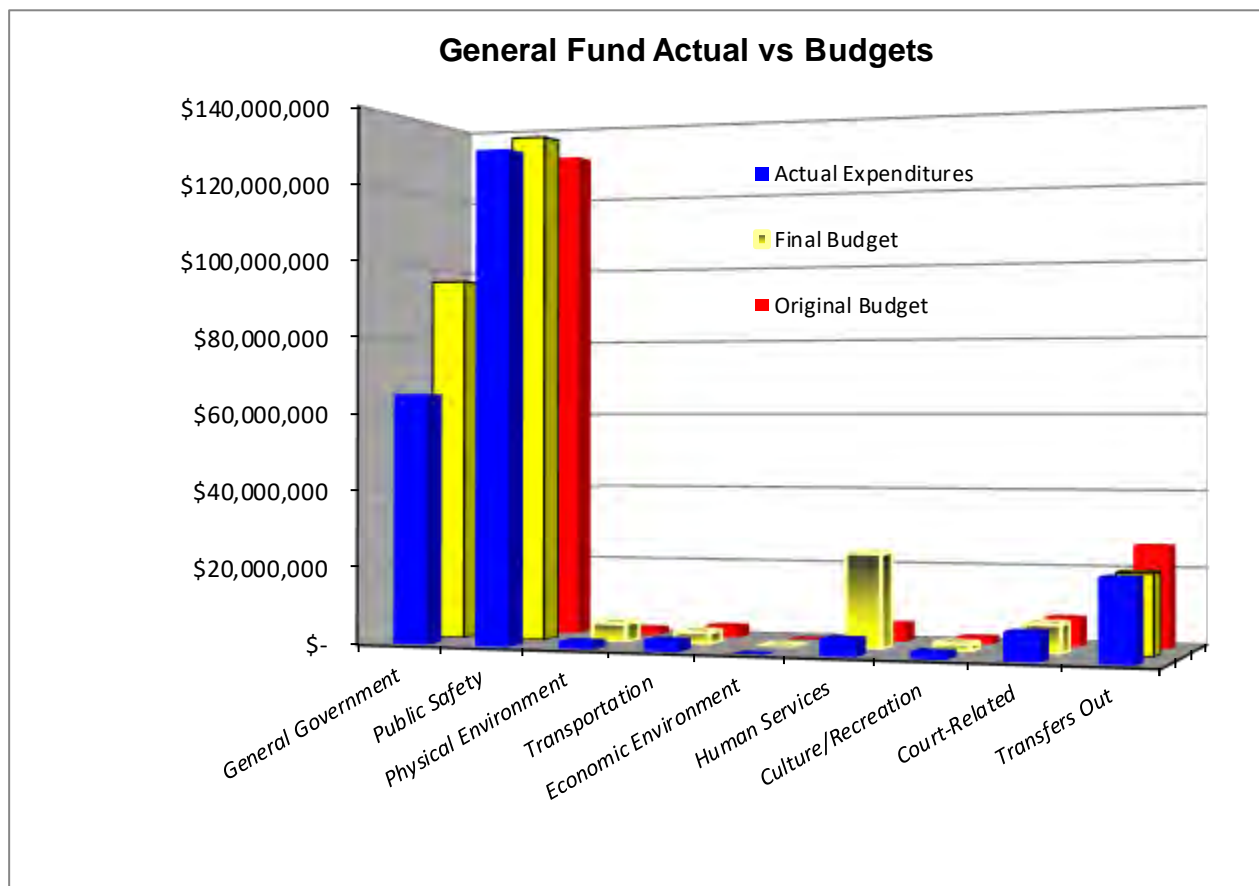
ESCAMBIA COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Change</u>
General Government	\$ 73,778,880	\$ 95,211,452	\$ 21,432,572
Public Safety	130,560,446	133,691,124	3,130,678
Physical Environment	1,900,214	4,865,755	2,965,541
Transportation	3,037,016	3,097,951	60,935
Economic Environment	-	-	-
Human Services	4,819,250	24,375,074	19,555,824
Culture/Recreation	1,712,342	1,812,405	100,063
Court-Related	7,388,963	7,388,963	-
Transfers Out	26,289,030	20,598,301	(5,690,729)
	<u>\$ 249,486,141</u>	<u>\$ 291,041,025</u>	<u>\$ 41,554,884</u>

The General Fund under spent the final budget by \$58,573,461 or 20.1% for expenditures and transfers out. The variance within functions is summarized in the table below:

	Actual			
	<u>Expenditures</u>	<u>Final Budget</u>	<u>Variance</u>	
General Government	\$ 64,816,134	\$ 95,211,452	\$ 30,395,318	31.9%
Public Safety	128,241,407	133,691,124	5,449,717	4.1%
Physical Environment	1,970,652	4,865,755	2,895,103	59.5%
Transportation	2,975,949	3,097,951	122,002	3.9%
Economic Environment	-	-	-	
Human Services	4,494,816	24,375,074	19,880,258	81.6%
Culture/Recreation	1,838,257	1,812,405	(25,852)	-1.4%
Court-Related	7,225,233	7,388,963	163,730	2.2%
Transfers Out	<u>20,905,116</u>	<u>20,598,301</u>	<u>(306,815)</u>	<u>-1.5%</u>
	<u>\$ 232,467,564</u>	<u>\$ 291,041,025</u>	<u>\$ 58,573,461</u>	<u>20.1%</u>

General Fund actual expenditures were less than anticipated expenditures by \$58,573,461. A review of actual General Government expenditures compared to appropriations in the final budget yields a \$16.5 million reserve for contingency. Principal and interest payments of nearly \$12 million were not budgeted but are included in actual expenditures. Additionally, approximately \$20 million in ARPA funds designated as Human Services were budgeted but not yet disbursed. Cost and fuel allocation in the amount of \$3.8 million in General Government are budgeted, but eliminated expenditures. The remainder of unspent budget is primarily due to unspent budgeted contingency and reserves.



Capital Asset and Debt Administration

Capital assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2022 amounts to \$798,570,214 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, improvements other than buildings (including leasehold improvements), equipment, software, infrastructure, and construction in progress. The total increase in the County's investment in capital assets for the current fiscal year was 2.3%.

Major capital asset events during the current fiscal year included the following:

- Building project include renovations to the Bellview Library, MC Blanchard entrance and food service renovations as well as design services for Pleasant Grove and Beulah fire stations, and the Tax Collector building on W Street.
- Ongoing transportation infrastructure projects include paving, drainage and sidewalks throughout the county, Gatewood Ditch – Glyn Broc Gully, Chemstrand Road to 9 Mile Road widening and drainage improvements.

ESCAMBIA COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

- Net construction in progress (CIP) decreased to \$10,820,418 primarily due to the completion of Bellview Library renovations, Olive Road East and West Corridor, and the West Cervantes Street SR10A-US90 projects.
- The net increase of \$3,531,011 in land includes the purchase of drainage easements and blighted property.
- Equipment increases are due to the donation of ECAT busses from Sarasota, purchase of construction and public safety vehicles and equipment for both the County and Sheriff.

Escambia County, Florida
Capital Assets (Net)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 82,077,410	\$ 78,549,349	\$ 5,796,219	\$ 5,793,269	\$ 87,873,629	\$ 84,342,618
Construction In Progress	6,986,806	16,265,601	3,833,612	369,312	10,820,418	16,634,913
Buildings & Improvements	380,476,376	373,515,981	38,596,264	38,596,264	419,072,640	412,112,245
Equipment	153,600,765	151,654,980	33,284,921	31,944,760	186,885,686	183,599,740
Intangible Computer Software	8,960,004	8,960,004	176,255	176,255	9,136,259	9,136,259
Infrastructure	1,004,658,839	968,130,070	56,806,144	56,806,144	1,061,464,983	1,024,936,214
Leased Buildings	996,410	-	-	-	996,410	-
	1,637,756,610	1,597,075,985	138,493,415	133,686,004	1,776,250,025	1,730,761,989
Less: Accumulated Depreciation	(889,467,316)	(864,473,741)	(88,212,494)	(86,229,789)	(977,679,810)	(950,703,530)
Capital Assets, net	<u>\$ 748,289,294</u>	<u>\$ 732,602,244</u>	<u>\$ 50,280,921</u>	<u>\$ 47,456,215</u>	<u>\$ 798,570,215</u>	<u>\$ 780,058,459</u>

Additional information on the County's capital assets, including major construction commitments, can be found in Note 3 of this report.

Long-term debt

At the end of the current fiscal year, the County had total notes and bonded debt outstanding of \$134,010,000. Of this amount, \$28,350,000 consists of debt backed by Non-Ad valorem tax revenue. The remainder of the debt, \$105,660,000 represents bonds and notes secured solely by specified revenue sources (i.e., sales tax). The unamortized bond issue premium for the Series 2017 Sales Tax Revenue Bond and Series 2018 Capital Improvement Refunding Revenue Bond is \$12,510,637.

Escambia County, Florida **Outstanding Notes and Bonded Debt**

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Revenue Bonds	\$ 105,660,000	\$ 109,215,000
Revenue Notes	28,350,000	30,580,000
	<u>\$ 134,010,000</u>	<u>\$ 139,795,000</u>
Unamortized Bond Issue Premium	12,510,637	13,291,891
	<u>\$ 146,520,637</u>	<u>\$ 153,086,891</u>

The County's outstanding debt, including the unamortized bond issue premium, had a net decrease of \$6,566,254 or 4.29% during fiscal year 2022. Decreases were attributable to normal debt service principal reductions for revenue notes and revenue bonds.

Additional information on the County's debt, including any major changes to the County's credit ratings, can be found in Note 6 of this report.

There is no outstanding debt for Business-type activities.

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect Escambia County and were considered in developing the 2022-2023 fiscal year budget.

- The annual average unemployment rate for the County for 2022 was 2.7%. The average adjusted rate for 2021 was 4.2%. The decrease is attributable to the relaxation of restrictions related to the COVID-19 pandemic.
- The taxable assessed value increased 16.5% in the 2022 fiscal year.
- Population was to 322,699 at September 30, 2022, increased 2% from the adjusted prior year. Population may be adjusted subsequent to the Annual Comprehensive Financial Report release.
- Next year's budget will be impacted by American Recovery Act spending in 2023.

During the current fiscal year, unassigned fund balance in the General Fund decreased to \$25,710,675. The County has budgeted \$283,944,554 for spending in the 2023 fiscal year budget, and assigned \$51,670.971 of the ending 2022 fund balance to the subsequent year's budget. The total ad valorem tax rate remained the same at 7.661 mills for the 2023 fiscal year budget.

In an effort to help stimulate job creation and the economy, the County continues to work with the Greater Pensacola Chamber of Commerce and the City of Pensacola to recruit new industry to the area and stimulate job growth.

Requests for information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the Escambia County Clerk of the Circuit Court and Comptroller, Finance Department, 221 Palafox Place Suite 130 Pensacola Florida 32502; 850-595-4825. This report is also available at the following web address: <https://www.escambiaclerk.com>.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Cash and Cash Equivalents	\$ 294,066,771	\$ 62,532,825	\$ 356,599,596	\$ 10,935,431
Investments	100,869,596	22,513,613	123,383,209	546,716
Accounts Receivable, Net	3,267,224	10,858,812	14,126,036	504,364
Accrued Interest Receivable	305,957	-	305,957	-
Due from Other Governments	66,403,284	-	66,403,284	62,846
Inventories	2,033,376	797,205	2,830,581	-
Assets Held for Investment	315,072	-	315,072	-
Prepaid Items	-	29,257	29,257	-
Other Assets	13,327,344	-	13,327,344	69,081
Capital Assets Not Being Depreciated	89,064,216	9,629,831	98,694,047	-
Capital Assets Net of Accumulated Depreciation	659,225,078	40,651,090	699,876,168	508,150
Total Assets	1,228,877,918	147,012,633	1,375,890,551	12,626,588
DEFERRED OUTFLOW OF RESOURCES				
Deferred Charge on Refunding	1,404,180	-	1,404,180	-
Pension Costs and Subsequent Contributions	54,906,807	4,864,533	59,771,340	277,702
OPEB Costs and Subsequent Contributions	3,852,829	77,370	3,930,199	19,750
Total deferred outflow of resources	60,163,816	4,941,903	65,105,719	297,452
LIABILITIES				
Accounts Payable	22,148,749	3,136,801	25,285,550	240,985
Contracts Payable	4,691,507	114,932	4,806,439	-
Accrued Liabilities	8,662,882	487,533	9,150,415	69,502
Compensated Absences Payable	-	145,378	145,378	-
Due to Other Governments	3,999,030	13,664	4,012,694	-
Deposits	1,080,924	55,796	1,136,720	-
Unearned Revenue	58,930,249	-	58,930,249	-
Other Current Liabilities	365,013	1,226,151	1,591,164	-
Escrow Deposits - restricted	-	339,606	339,606	-
Noncurrent Liabilities:				
Due Within One Year	12,408,935	92,475	12,501,410	-
Due in More Than One Year	402,670,323	40,122,173	442,792,496	1,102,248
Total Liabilities	514,957,612	45,734,509	560,692,121	1,412,735
DEFERRED INFLOW OF RESOURCES				
Deferred Revenue	-	-	-	807,431
Leases	5,891,931	-	5,891,931	-
Pension Costs	17,950,535	607,472	18,558,007	187,004
OPEB Costs	2,524,078	204,921	2,728,999	14,940
Total deferred inflow of resources	26,366,544	812,393	27,178,937	1,009,375
NET POSITION				
Net Investment in Capital Assets	603,172,837	50,280,921	653,453,758	508,150
Restricted for:				
Debt Service	386,109	-	386,109	-
Capital	177,608,485	-	177,608,485	1,695,896
Law Enforcement	17,349,938	-	17,349,938	-
Economic & Community	18,589,391	-	18,589,391	-
Transportation	12,030,374	-	12,030,374	-
Tourism	20,599,521	-	20,599,521	-
Other Purposes	18,315,588	-	18,315,588	-
Unrestricted	(120,334,665)	55,126,713	(65,207,952)	8,297,884
Total Net Position	\$ 747,717,578	\$ 105,407,634	\$ 853,125,212	\$ 10,501,930

The notes to the financial statements are an integral part of the financial statements.



ESCAMBIA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for	Operating Grants and	Capital Grants and Contributions
		Services	Contributions	
Primary Government:				
Governmental Activities:				
General Government	\$ 82,812,479	\$ 42,619,607	\$ -	\$ -
Public Safety	199,494,788	21,626,249	70,142,959	237,464
Physical Environment	6,098,389	18,654,565	3,893,873	1,959,100
Transportation	53,725,827	7,356,668	7,599,064	9,806,470
Economic Environment	20,994,760	1,862,197	4,775,705	376,344
Human Services	6,575,581	-	8,487,325	-
Culture/Recreation	10,954,824	380,424	238,313	1,598,413
Court-Related	14,650,738	10,231,091	2,691,205	-
Interest on Long-Term Debt	5,677,434	-	-	-
Total Governmental Activities	400,984,820	102,730,801	97,828,444	13,977,791
Business-type Activities:				
Solid Waste	13,762,955	19,994,283	-	-
Emergency Medical Services	19,256,473	20,342,793	-	2,149,192
Inspection Fund	3,571,537	5,445,022	-	-
Bay Center	7,437,900	5,971,351	-	75,000
Total Business-type Activities	44,028,865	51,753,449	-	2,224,192
Total Primary Government	\$ 445,013,685	\$ 154,484,250	\$ 97,828,444	\$ 16,201,983
Component Unit:				
Santa Rosa Island Authority	3,705,762	6,032,835	-	185,944
Total Component Unit	\$ 3,705,762	\$ 6,032,835	\$ -	\$ 185,944

General Revenues:

- Property Tax
- Sales Tax
- Public Service Tax
- Communication Service Tax
- Gas Tax
- Unrestricted State Revenue Sharing
- Tourist Development Tax
- Other Taxes
- Unrestricted Intergovernmental Revenues
- Investment Gain (Loss)
- Miscellaneous
- Transfers In (Out)
- Total General Revenues and Transfers
- Change in Net Position
- Beginning Net Position
- Ending Net Position

The notes to the financial statements are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total	Component Unit
\$ (40,192,872)	\$ -	\$ (40,192,872)	
(107,488,116)	-	(107,488,116)	
18,409,149	-	18,409,149	
(28,963,625)	-	(28,963,625)	
(13,980,514)	-	(13,980,514)	
1,911,744	-	1,911,744	
(8,737,674)	-	(8,737,674)	
(1,728,442)	-	(1,728,442)	
(5,677,434)	-	(5,677,434)	
<u>(186,447,784)</u>	<u>-</u>	<u>(186,447,784)</u>	
-	6,231,328	6,231,328	
-	3,235,512	3,235,512	
-	1,873,485	1,873,485	
-	(1,391,549)	(1,391,549)	
<u>-</u>	<u>9,948,776</u>	<u>9,948,776</u>	
(186,447,784)	9,948,776	(176,499,008)	
			<u>2,513,017</u>
			2,513,017
151,003,488	-	151,003,488	-
103,510,983	-	103,510,983	-
1,579,683	-	1,579,683	-
2,149,654	-	2,149,654	-
19,534,212	-	19,534,212	-
13,127,395	-	13,127,395	-
21,816,411	-	21,816,411	-
875,001	-	875,001	-
42,644	-	42,644	-
(1,764,009)	(548,284)	(2,312,293)	11,790
10,448,883	184,284	10,633,167	237,661
(494,166)	494,166	-	-
<u>321,830,179</u>	<u>130,166</u>	<u>321,960,345</u>	<u>249,451</u>
135,382,395	10,078,942	145,461,337	2,762,468
612,335,183	95,328,692	707,663,875	7,739,462
<u>\$ 747,717,578</u>	<u>\$ 105,407,634</u>	<u>\$ 853,125,212</u>	<u>\$ 10,501,930</u>

ESCAMBIA COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2022

	General Fund - County Wide	Disaster Recovery Fund	Covid Escambia Fund
ASSETS			
Cash and Cash Equivalents	\$ 61,481,503	\$ -	\$ 42,672,871
Investments	19,422,239	-	15,848,364
Accounts Receivable	1,291,075	-	-
Accrued Interest Receivable	305,957	-	-
Due from Other Funds	201,499	-	-
Advances Receivable from Other Funds	5,481,504	-	-
Due from Other Governments	4,328,873	43,238,802	-
Inventories	934,767	-	-
Assets held for investment	-	-	-
Other Assets	6,023,056	-	-
Total Assets	\$ 99,470,473	\$ 43,238,802	\$ 58,521,235
LIABILITIES			
Accounts Payable	\$ 3,581,599	\$ 831,193	\$ 1,062,214
Contracts Payable	16,182	189,730	78,228
Accrued Liabilities	7,106,588	-	-
Due to Other Funds	644,670	-	-
Advances Payable to Other Funds	-	36,118,800	-
Due to Other Governments	2,825,856	-	-
Deposits	246,501	-	-
Unearned Revenue	475,720	-	57,182,014
Other Current Liabilities	365,013	-	-
Total Liabilities	15,262,129	37,139,723	58,322,456
DEFERRED INFLOW OF RESOURCES			
Leases	5,891,931	-	-
Total Deferred Inflow of Resources	5,891,931	-	-
FUND BALANCES (deficits):			
Nonspendable:			
Inventories	934,767	-	-
Restricted for:			
Court Related Functions	-	-	-
Community Service	-	-	-
Debt Service	-	-	-
Economic & Community Development	-	-	-
Fire & Rescue	-	-	-
Health Services	-	-	-
Inmate Welfare	-	-	-
Jail Facility	-	-	-
Law Enforcement	-	-	-
Library	-	-	-
Mass Transit System	-	-	198,779
Parks & Recreation	-	-	-
Public Safety	-	-	-
Records Modernization Tech	-	-	-
Resource Conservation	-	-	-
Housing Assistance	-	-	-
Tourism	-	-	-
Transportation & Drainage Improvements	-	6,099,079	-
Committed to:			
Community Service	-	-	-
Infrastructure Maintenance	-	-	-
Public Safety	-	-	-
Transportation Maintenance	-	-	-
Assigned to:			
Subsequent Year's Budget	51,670,971	-	-
Unassigned	25,710,675	-	-
Total Fund Balances	78,316,413	6,099,079	198,779
Total Liabilities, Deferred Inflows of Resources, and Fund Balance (deficit)	\$ 99,470,473	\$ 43,238,802	\$ 58,521,235

The notes to the financial statements are an integral part of the financial statements.

Local Option Sales Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 89,673,487	\$ 82,558,288	\$ 276,386,149
33,304,018	26,073,539	94,648,160
-	842,646	2,133,721
-	-	305,957
-	259,035	460,534
38,126,682	-	43,608,186
10,418,404	8,417,205	66,403,284
-	640,303	1,575,070
-	315,072	315,072
7,304,288	-	13,327,344
<u>\$ 178,826,879</u>	<u>\$ 119,106,088</u>	<u>\$ 499,163,477</u>
\$ 4,256,041	\$ 7,118,572	\$ 16,849,619
683,087	3,724,280	4,691,507
65,557	1,455,133	8,627,278
103,744	8,440	756,854
-	7,489,386	43,608,186
14,187	1,158,944	3,998,987
3,126	783,958	1,033,585
-	1,272,515	58,930,249
-	-	365,013
<u>5,125,742</u>	<u>23,011,228</u>	<u>138,861,278</u>
-	-	5,891,931
-	-	5,891,931
-	640,303	1,575,070
-	4,277,898	4,277,898
-	282,332	282,332
7,304,288	386,109	7,690,397
26,055,171	7,833,490	33,888,661
-	3,241,888	3,241,888
-	91,156	91,156
-	13,038,659	13,038,659
-	3,549,583	3,549,583
-	261,478	261,478
-	3,126,245	3,126,245
-	4,259,787	4,458,566
-	28,772	28,772
-	3,540,255	3,540,255
-	5,815,624	5,815,624
-	1,762,777	1,762,777
-	10,273,743	10,273,743
-	20,599,521	20,599,521
140,341,678	1,361,245	147,802,002
-	2,690,593	2,690,593
-	5,545,052	5,545,052
-	2,940,504	2,940,504
-	3,972,366	3,972,366
-	-	51,670,971
-	(3,424,520)	22,286,155
<u>173,701,137</u>	<u>96,094,860</u>	<u>354,410,268</u>
<u>\$ 178,826,879</u>	<u>\$ 119,106,088</u>	<u>\$ 499,163,477</u>

ESCAMBIA COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
as of September 30, 2022

Total fund balances of governmental funds \$ 354,410,268

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds. The cost of assets is \$1,635,240,352 Accumulated depreciation and amortization is \$888,295,320. The difference does not include the net capital assets of the internal service funds \$344,261 which are included below. 747,945,032

The internal service fund is used by management to charge the costs of risk management services to individual funds. The assets, liabilities, outflows/inflows of the internal service fund are included in activities in the Statement of Net Position. 10,471,385

Deferred inflows and outflows of resources related to debt:
Deferred charge on refunding (to be amortized as interest expense) 1,404,180

Deferred outflows and inflows of resources related to pensions and other post employment benefits (OPEB) are applicable to future periods and not reported in governmental funds. The difference does not include certain amounts from the internal service fund which is included above.

Deferred outflows of resources - Pensions	54,725,941	
Deferred inflows of resources - Pensions	(17,785,983)	
Deferred outflows of resources - OPEB	3,847,158	
Deferred inflows of resources - OPEB	<u>(2,509,058)</u>	
		38,278,058

Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities --both current and long-term--are reported in the Statement of Net Position. The difference does not include the internal service funds \$918,877 which is included above. Long-term liabilities at year-end consist of:

Bonds payable	105,660,000	
Notes payable	28,350,000	
Bond issuance premiums	12,510,637	
Lease Payable	732,056	
Compensated absences	30,499,045	
Other post employment benefits	19,928,244	
Net pension liability proportionate share	<u>207,111,363</u>	
		(404,791,345)
Total net position of governmental activities		<u><u>\$ 747,717,578</u></u>

The notes to the financial statements are an integral part of the financial statements.



ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended September 30, 2022

	General Fund - County Wide	Disaster Recovery Fund	Covid Escambia Fund
REVENUES			
Taxes	\$ 142,051,088	\$ -	\$ -
Permits and Fees	-	-	-
Franchise Fees	14,339,162	-	-
Special Assessments	906,307	-	-
Intergovernmental Revenues	50,071,662	66,469,717	4,297,138
Charges for Services	13,927,204	-	-
Judgments and Fines	1,683,124	-	-
Investment Gain (Loss)	(725,137)	-	169,452
Miscellaneous Revenues	2,147,785	4,875,000	-
Total Revenues	224,401,195	71,344,717	4,466,590
EXPENDITURES			
Current:			
General Government	64,816,134	-	-
Public Safety	128,241,407	7,056,142	-
Physical Environment	1,970,652	-	-
Transportation	2,975,949	-	-
Economic Environment	-	-	-
Human Services	4,494,816	-	4,297,138
Culture/Recreation	1,838,257	-	-
Court-Related	7,225,233	-	-
Debt Service:			
Principal Retirement	264,354	-	-
Interest and Fiscal Charges	22,432	-	-
Capital Outlay	-	-	-
Total Expenditures	211,849,234	7,056,142	4,297,138
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,551,961	64,288,575	169,452
OTHER FINANCING SOURCES (USES)			
Transfers In	4,495,072	-	-
Transfers (Out)	(20,905,116)	-	-
Total Other Financing Sources and (Uses)	(16,410,044)	-	-
Net Change in Fund Balances	(3,858,083)	64,288,575	169,452
Fund Balances - Beginning	82,174,496	(58,189,496)	29,327
Fund Balances - Ending	\$ 78,316,413	\$ 6,099,079	\$ 198,779

The notes to the financial statements are an integral part of the financial statements.

Local Option Sales Tax Fund	Nonmajor Governmenta l Funds	Total Governmental Funds
\$ 67,902,365	\$ 47,919,631	\$ 257,873,084
-	517,381	517,381
-	2,256,974	16,596,136
-	52,767,659	53,673,966
2,639,677	36,286,161	159,764,355
225,733	12,072,449	26,225,386
-	1,217,499	2,900,623
(526,468)	(576,401)	(1,658,554)
2,467,304	4,440,643	13,930,732
<u>72,708,611</u>	<u>156,901,996</u>	<u>529,823,109</u>
2,042,459	31,285,293	98,143,886
-	37,934,806	173,232,355
145,651	4,262,829	6,379,132
1,523,764	36,323,098	40,822,811
2,135,363	19,539,904	21,675,267
186,961	30,344	9,009,259
1,819,207	9,458,993	13,116,457
-	4,938,767	12,164,000
-	5,785,000	6,049,354
-	6,280,236	6,302,668
28,356,209	2,241,312	30,597,521
<u>36,209,614</u>	<u>158,080,582</u>	<u>417,492,710</u>
<u>36,498,997</u>	<u>(1,178,586)</u>	<u>112,330,399</u>
-	29,145,625	33,640,697
<u>(5,839,301)</u>	<u>(7,390,446)</u>	<u>(34,134,863)</u>
<u>(5,839,301)</u>	<u>21,755,179</u>	<u>(494,166)</u>
30,659,696	20,576,593	111,836,233
<u>143,041,441</u>	<u>75,518,267</u>	<u>242,574,035</u>
<u>\$ 173,701,137</u>	<u>\$ 96,094,860</u>	<u>\$ 354,410,268</u>

ESCAMBIA COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 111,836,233
--	----------------

<p>Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions (\$54,448,654) exceeds depreciation (\$38,106,751) in the current period. Total capital additions consist of capital expenditures of \$47,220,934 and non-cash contributions of \$7,227,720 for primarily donated roads and buses.</p>	16,341,903
---	------------

The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:

Debt issued or repaid:	
Principal repayments	6,049,354
Amortization of deferred charge on refunding	(156,020)
Amortization of interest expense on bond premium	781,254
	6,674,588

Continued

ESCAMBIA COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES - Continued
For the Year Ended September 30, 2022

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. These adjustments are as follows:

Changes in compensated absences	(2,773,007)	
Changes in other post employment benefits	(1,675,946)	
Changes in pollution remediation	<u>20,000</u>	
		(4,428,953)

Governmental funds report County pension contributions as expenditures. In the statement of activities, the cost of the pension benefits earned net of contributions is reported as pension expense.

Difference between pension contribution and net pension expense	(1,028,733)
---	-------------

Governmental funds report other post employment benefit contributions as expenditures. However, in the statement of activities, the actuarial cost of benefits earned net of employee contributions is reported as an expense.

2,229,176

In the statement of activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold/disposed.

(1,583,131)

The internal service fund is used by management to charge the costs of risk management and other services to other funds. The net income of the internal service fund is reported with governmental activities.

5,341,312

Change in net position of governmental activities:

\$ 135,382,395

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND - COUNTY WIDE
For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Over (Under)
REVENUES				
Taxes	\$ 142,335,556	\$ 142,335,556	\$ 142,051,088	\$ (284,468)
Franchise Fees	12,511,595	12,511,595	14,339,162	1,827,567
Special Assessments	864,500	864,500	906,307	41,807
Intergovernmental Revenues	34,103,722	34,434,528	50,071,662	15,637,134
Charges for Services	13,635,610	13,671,159	13,927,204	256,045
Judgments and Fines	1,828,500	1,828,500	1,683,124	(145,376)
Investment Gain (Loss)	390,100	390,100	(725,137)	(1,115,237)
Miscellaneous Revenues	1,335,187	1,837,551	2,147,785	310,234
Total Revenues	207,004,770	207,873,489	224,401,195	16,527,706
EXPENDITURES				
Current:				
General Government	73,778,880	95,211,452	64,816,134	30,395,318
Public Safety	130,560,446	133,691,124	128,241,407	5,449,717
Physical Environment	1,900,214	4,865,755	1,970,652	2,895,103
Transportation	3,037,016	3,097,951	2,975,949	122,002
Human Services	4,819,250	24,375,074	4,494,816	19,880,258
Culture/Recreation	1,712,342	1,812,405	1,838,257	(25,852)
Court-Related	7,388,963	7,388,963	7,225,233	163,730
Debt Service:				
Principal Retirement	-	-	264,354	(264,354)
Interest and Fiscal Charges	-	-	22,432	(22,432)
Total Expenditures	223,197,111	270,442,724	211,849,234	58,593,490
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,192,341)	(62,569,235)	12,551,961	75,121,196
OTHER FINANCING SOURCES (USES)				
Transfers In	2,163,436	2,353,996	4,495,072	2,141,076
Transfers (Out)	(26,289,030)	(20,598,301)	(20,905,116)	(306,815)
Total Other Financing Sources and (Uses)	(24,125,594)	(18,244,305)	(16,410,044)	1,834,261
Net Change in Fund Balance	(40,317,935)	(80,813,540)	(3,858,083)	76,955,457
Fund Balance - Beginning	40,317,935	80,813,540	82,174,496	1,360,956
Fund Balance - Ending	\$ -	\$ -	\$ 78,316,413	\$ 78,316,413

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DISASTER RECOVERY FUND
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget -</u>
			<u>Amounts</u>	<u>Over (Under)</u>
REVENUES				
Intergovernmental Revenues	\$ -	\$ 90,215,899	\$ 66,469,717	\$ (23,746,182)
Miscellaneous Revenues	-	-	4,875,000	4,875,000
Total Revenues	-	90,215,899	71,344,717	(18,871,182)
EXPENDITURES				
Current:				
Public Safety	-	90,215,899	7,056,142	83,159,757
Total Expenditures	-	90,215,899	7,056,142	83,159,757
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	64,288,575	64,288,575
Net Change in Fund Balance	-	-	64,288,575	64,288,575
Fund Balance - Beginning	-	-	(58,189,496)	(58,189,496)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,099,079</u>	<u>\$ 6,099,079</u>

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
COVID ESCAMBIA FUND
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
REVENUES				
Intergovernmental Revenues	\$ -	\$ 30,611,863	\$ 4,297,138	\$ (26,314,725)
Investment Gain (Loss)	-	-	169,452	169,452
Total Revenues	<u>-</u>	<u>30,611,863</u>	<u>4,466,590</u>	<u>(26,145,273)</u>
EXPENDITURES				
Current:				
Human Services	-	30,641,190	4,297,138	26,344,052
Total Expenditures	<u>-</u>	<u>30,641,190</u>	<u>4,297,138</u>	<u>26,344,052</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(29,327)</u>	<u>169,452</u>	<u>198,779</u>
Net Change in Fund Balance	-	(29,327)	169,452	198,779
Fund Balance - Beginning	<u>-</u>	<u>29,327</u>	<u>29,327</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,779</u>	<u>\$ 198,779</u>

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste Fund	Emergency Medical Services Fund	Nonmajor Enterprise Funds	Totals	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 32,446,310	\$ 3,370,511	\$ 10,656,927	\$ 46,473,748	\$ 17,680,622
Restricted Assets Available for Current Liabilities	432,081	-	-	432,081	-
Investments	18,013,436	1,251,670	3,248,507	22,513,613	6,221,436
Accounts Receivable, Net of Allowance for Uncollectable Accounts	2,613,951	8,117,829	127,032	10,858,812	1,133,503
Due from Other Funds	-	-	-	-	296,320
Inventories	-	691,108	106,097	797,205	458,306
Prepaid Items	-	-	29,257	29,257	-
Total Current Assets	53,505,778	13,431,118	14,167,820	81,104,716	25,790,187
Noncurrent Assets:					
Restricted Assets:					
Escrow Deposits - restricted	339,606	-	-	339,606	-
Saufley C&D - restricted	598,758	-	-	598,758	-
Landfill Escrow	15,120,713	-	-	15,120,713	-
Less: Portion Classified as Current	(432,081)	-	-	(432,081)	-
Total restricted assets	15,626,996	-	-	15,626,996	-
Capital Assets:					
Land	5,789,776	6,443	-	5,796,219	-
Buildings	10,362,088	1,100,349	27,133,827	38,596,264	399,564
Improvements Other than Buildings	53,625,406	86,275	3,094,463	56,806,144	937,373
Machinery, Equipment and Vehicles	19,191,202	11,857,592	2,236,127	33,284,921	179,321
Intangibles	-	176,255	-	176,255	-
Construction in Progress	3,833,612	-	-	3,833,612	-
Less: Accumulated Depreciation	(49,145,049)	(9,579,308)	(29,488,137)	(88,212,494)	(1,171,996)
Total Capital Assets (Net)	43,657,035	3,647,606	2,976,280	50,280,921	344,262
Total Noncurrent Assets	59,284,031	3,647,606	2,976,280	65,907,917	344,262
Total Assets	112,789,809	17,078,724	17,144,100	147,012,633	26,134,449
DEFERRED OUTFLOW OF RESOURCES					
Pension Cost and Subsequent Contributions	589,391	3,782,441	492,701	4,864,533	180,866
OPEB Cost and Subsequent Contrib.	13,393	51,892	12,085	77,370	5,671
Total deferred outflow of resources	602,784	3,834,333	504,786	4,941,903	186,537

Continued

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste Fund	Emergency Medical Services Fund	Nonmajor Enterprise Funds	Totals	
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 2,148,041	\$ 321,474	\$ 667,286	\$ 3,136,801	\$ 5,299,130
Contracts Payable	114,932	-	-	114,932	-
Accrued Liabilities	78,645	330,208	78,680	487,533	35,604
Compensated Absences Payable	39,881	65,270	40,227	145,378	91,888
Estimated Claims Payable	-	-	-	-	2,973,000
Due to Other Governments	11,224	2,211	229	13,664	43
Deposits	2,022	-	53,774	55,796	47,339
Other Current Liabilities	-	-	1,226,151	1,226,151	-
Current Liabilities Payable from Restricted Assets:					
Landfill Closure Costs Payable	92,475	-	-	92,475	-
Escrow Deposits - restricted	339,606	-	-	339,606	-
Total Current Liabilities	2,826,826	719,163	2,066,347	5,612,336	8,447,004
Noncurrent Liabilities:					
Compensated Absences Payable	358,926	587,429	362,040	1,308,395	826,989
Other Post Employment Benefits	191,955	743,716	173,198	1,108,869	81,279
Net Pension Liability	2,020,430	15,043,593	1,680,420	18,744,443	652,757
Estimated Claims Payable	-	-	-	-	5,662,000
Landfill Closure Costs Payable	18,960,466	-	-	18,960,466	-
Total Noncurrent Liabilities	21,531,777	16,374,738	2,215,658	40,122,173	7,223,025
Total Liabilities	24,358,603	17,093,901	4,282,005	45,734,509	15,670,029
DEFERRED INFLOW OF RESOURCES					
Unamortized Pension Costs	279,801	175,486	152,185	607,472	164,552
Unamortized OPEB Costs	35,474	137,440	32,007	204,921	15,020
Total deferred inflow of resources	315,275	312,926	184,192	812,393	179,572
NET POSITION					
Net Investment in Capital Assets	43,657,035	3,647,606	2,976,280	50,280,921	344,262
Unrestricted	45,061,680	(141,376)	10,206,409	55,126,713	10,127,123
Total Net Position	\$ 88,718,715	\$ 3,506,230	\$ 13,182,689	\$ 105,407,634	\$ 10,471,385

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste Fund	Emergency Medical Services Fund	Nonmajor Enterprise Funds	Total	Funds
Operating Revenues:					
Charges for Services	\$ 19,994,283	\$ 20,342,793	\$ 11,416,373	\$ 51,753,449	\$ 47,617,211
Miscellaneous Revenues	-	40,737	143,547	184,284	-
Total Operating Revenues	19,994,283	20,383,530	11,559,920	51,937,733	47,617,211
Operating Expenses:					
Personal Services	3,038,626	13,915,966	2,849,045	19,803,637	1,416,275
Contracted Services	2,252,597	484,872	6,608,745	9,346,214	-
Claims Incurred and Change in Estimate	-	-	-	-	1,944,435
Supplies and Materials	792,165	818,836	15,276	1,626,277	-
Repairs and Maintenance	1,457,220	1,163,417	80,414	2,701,051	29,836
Other Services and Charges	1,282,684	1,780,022	434,541	3,497,247	7,476,179
Depreciation	2,987,511	762,468	818,885	4,568,864	68,132
Provision for Closure and Long Term Care	1,419,446	-	-	1,419,446	-
Premiums/Claims Expense	463,412	214,171	203,098	880,681	31,235,587
Total Operating Expenses	13,693,661	19,139,752	11,010,004	43,843,417	42,170,444
Operating Income (Loss)	6,300,622	1,243,778	549,916	8,094,316	5,446,767
Nonoperating Revenues (Expenses):					
Investment Gain (Loss)	(443,885)	(26,027)	(78,372)	(548,284)	(105,455)
Gain (Loss) on Disposal of Capital Assets	(69,294)	(116,721)	567	(185,448)	-
Total Nonoperating Revenues (Expenses)	(513,179)	(142,748)	(77,805)	(733,732)	(105,455)
Income (Loss) Before Transfers and Contributions	5,787,443	1,101,030	472,111	7,360,584	5,341,312
Transfer In	-	-	1,500,000	1,500,000	-
Transfer (Out)	(646,000)	(359,834)	-	(1,005,834)	-
Capital Contributions	-	2,149,192	75,000	2,224,192	-
Change in Net Position	5,141,443	2,890,388	2,047,111	10,078,942	5,341,312
Net Position	83,577,272	615,842	11,135,578	95,328,692	5,130,073
Net Position - Ending	\$ 88,718,715	\$ 3,506,230	\$ 13,182,689	\$ 105,407,634	\$ 10,471,385

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste Fund	Emergency Medical Services Fund	Nonmajor Enterprise Funds	Total	
Cash Flows from Operating Activities					
Receipts from customers and users	\$ 19,900,426	\$ 18,540,862	\$ 11,867,005	\$ 50,308,293	\$ 4,653,189
Receipts from interfund risk/benefits management	-	-	-	-	35,980,766
Receipts from interfund fleet/fuel management	-	-	-	-	5,713,414
Payments to suppliers	(4,505,802)	(4,230,057)	(7,385,859)	(16,121,718)	(39,150,032)
Payments to employees	(3,109,347)	(13,631,393)	(2,773,171)	(19,513,911)	(763,618)
Net Cash Provided (Used) by Operating Activities	12,285,277	679,412	1,707,975	14,672,664	6,433,719
Cash Flows from Noncapital Financing Activities					
Transfers to other funds	(646,000)	(359,834)	-	(1,005,834)	-
Transfers from other funds	-	-	1,500,000	1,500,000	-
Advances due to/from other funds	-	-	-	-	104,126
Net Cash Provided (Used) by Noncapital Financing Activities	(646,000)	(359,834)	1,500,000	494,166	104,126
Cash Flows from Capital and Related Financing Activities					
Acquisition/construction of capital assets	(5,623,722)	(144,409)	75,452	(5,692,679)	-
Proceeds from disposal of capital assets	355,584	(18,298)	567	337,853	-
Landfill closure costs paid	(116,809)	-	-	(116,809)	-
Net Cash (Used) by Capital and Related Financing Activities	(5,384,947)	(162,707)	76,019	(5,471,635)	-
Cash Flows from Investing Activities					
Sale (purchase) of investments	3,915,271	370,633	211,876	4,497,780	(276,288)
Interest received (loss)	(443,885)	(26,027)	(78,372)	(548,284)	(105,455)
Net Cash Provided (Used) by Investing Activities	3,471,386	344,606	133,504	3,949,496	(381,743)
Net Increase (Decrease) in Cash and Cash Equivalents	9,725,716	501,477	3,417,498	13,644,691	6,156,102
Cash and cash equivalents at beginning of year	38,779,671	2,869,034	7,239,429	48,888,134	11,524,520
Cash and cash equivalents at end of year	<u>\$ 48,505,387</u>	<u>\$ 3,370,511</u>	<u>\$ 10,656,927</u>	<u>\$ 62,532,825</u>	<u>\$ 17,680,622</u>
Cash and Cash Equivalents Classified As:					
Current assets	\$ 32,446,310	\$ 3,370,511	\$ 10,656,927	\$ 46,473,748	\$ 17,680,622
Current restricted assets	432,081	-	-	432,081	-
Noncurrent restricted assets	15,626,996	-	-	15,626,996	-
Total Cash and Cash Equivalents	<u>\$ 48,505,387</u>	<u>\$ 3,370,511</u>	<u>\$ 10,656,927</u>	<u>\$ 62,532,825</u>	<u>\$ 17,680,622</u>

Continued

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Solid Waste Fund	Emergency Medical Services Fund	Nonmajor Enterprise Funds	Total		
Reconciliation of Operating Income (Loss) to Net Cash						
Provided (Used) by Operating Activities						
Operating Income (Loss)	\$ 6,300,622	\$ 1,243,778	\$ 549,916	\$ 8,094,316	\$ 5,446,767	
Depreciation expense	2,987,511	762,468	818,885	4,568,864	68,132	
Provision for closure and postclosure	1,419,446	-	-	1,419,446	-	
Change in Assets and Liabilities:						
(Increase) Decrease in accounts receivable	(228,249)	(1,842,668)	(53,372)	(2,124,289)	(494,617)	
(Increase) Decrease in inventories	-	29,015	(33,690)	(4,675)	(40,006)	
(Increase) Decrease in prepaids	-	-	(24,338)	(24,338)	-	
Increase (Decrease) in accounts payable	1,630,916	200,747	14,067	1,845,730	1,912,005	
Increase (Decrease) in contracts payable	114,932	-	-	114,932	-	
Increase (Decrease) in accrued liabilities	(75,034)	(284,292)	(58,355)	(417,681)	(33,053)	
Increase (Decrease) in due to other governments	(3,572)	1,499	176	(1,897)	6	
Increase (Decrease) in customer deposits	134,392	-	7,281	141,673	(6,370)	
Increase (Decrease) in unearned revenue	-	-	-	-	-	
Increase (Decrease) in other current liabilities	-	-	353,176	353,176	-	
Increase (Decrease) in compensated absences	(29,720)	175,608	72,093	217,981	(92,666)	
Increase (Decrease) in post employment benefits related deferred outflows/inflows of resources	24,403	308,094	52,916	385,413	5,463	
Increase (Decrease) in net pension liability and related deferred outflows/inflows of resources	9,630	85,163	9,220	104,013	4,058	
Increase (Decrease) in claims payable	-	-	-	-	(336,000)	
Total Adjustments	5,984,655	(564,366)	1,158,059	6,578,348	986,952	
Net Cash Provided (Used) by Operating Activities	\$ 12,285,277	\$ 679,412	\$ 1,707,975	\$ 14,672,664	\$ 6,433,719	
Schedule of non-cash capital activities:						
Contributions of capital assets	\$ -	\$ 2,149,192	\$ 75,000	\$ 2,224,192	\$ -	

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2022

ASSETS

Cash and cash equivalents	\$ 15,735,012
Accounts Receivable	639,762
Total Assets	<u>16,374,774</u>

LIABILITIES

Accounts Payable:	
Cash bond payable	22,233
Court registry payable	348,225
Real auction payable	113,574
Due to individuals	328,505
Due to other governments	5,222,021
Other liabilities	3,030
Total Liabilities	<u>6,037,588</u>

NET POSITION

Restricted for:	
Cash bonds	838,043
Court registry	8,727,540
Witness/Jury	36,275
Restitution	22,275
General trust	6,466
Employee events	17,518
Evidence	351,167
Inmate trust	337,902
Total Net Fiduciary Positions	<u><u>\$ 10,337,186</u></u>

The notes to the financial statements are an integral part of the financial statements

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2022

ADDITIONS

Deposits in court registry	\$ 21,311,072
Deposits for real auction	3,359,839
Deposits for jurors	4,801
Deposits for restitution	206,267
Payments from State	66,744
Deposits for bonds	987,472
Deposits for overpayments	646,528
Evidence collected	398,319
Civil process fees	309,412
Contributions from employees	20,529
Collections of taxes on behalf of other entities	347,723,537
Collections of fees on behalf of other entities	30,612,557
Other	125,603
Deposits from inmates	4,311,582
Total Additions	<u>410,084,262</u>

DEDUCTIONS

Release of bonds	574,606
Refunds of overpayments	646,555
Payment for jurors and witnesses	61,614
Payments to victims	208,362
Auction refunds	2,719,475
Court ordered disbursements	20,819,788
Evidence returned to defendant	434,729
Payment to BOCC for law enforcement trust	45,543
Payment to BOCC per statutes	210,778
Payments of taxes to other entities	347,801,793
Other payments	30,789,934
Refunds to inmates	232,489
Disbursements to commissary vendor	4,089,917
Total Deductions	<u>408,635,583</u>

Changes in net position	1,448,679
Net position-beginning	8,888,507
Net position- ending	<u><u>\$ 10,337,186</u></u>

The notes to the financial statements are an integral part of the financial statements

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
COMPONENT UNIT
September 30, 2022

	Business-Type Activities
	Santa Rosa Island Authority
ASSETS	
Cash and Cash Equivalents	\$ 3,888,520
Accounts Receivable	504,364
Due from Other Governments	62,846
Other Assets	69,081
Total Current Assets	4,524,811
Noncurrent Assets:	
Restricted Assets:	
Cash and Cash Equivalents	7,046,911
Investments	546,716
Capital Assets, Net of Depreciation	508,150
Total Noncurrent Assets	8,101,777
Total Assets	12,626,588
DEFERRED OUTFLOWS OF RESOURCES	
OPEB	19,750
Pension	277,702
Total deferred outflow of resources	297,452
LIABILITIES	
Accounts Payable	240,985
Accrued Liabilities	69,502
Total Current Liabilities	310,487
Noncurrent Liabilities:	
Compensated Absences	126,520
Other Post Employment Benefits	122,548
Net Pension Liability	853,180
Total Noncurrent Liabilities	1,102,248
Total Liabilities	1,412,735
DEFERRED INFLOW OF RESOURCES	
Deferred Revenues	295,962
Deferred Consideration Fees	511,469
Other Post Employment Benefits	14,940
Pension	187,004
Total Deferred Inflow of Resources	1,009,375
NET POSITION	
Invested in Capital Assets	508,150
Restricted for Capital Improvements	1,695,896
Unrestricted	8,297,884
Total Net Position	\$ 10,501,930

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES - COMPONENT UNIT
For the Year Ended September 30, 2022

	Business-Type Activities
	Santa Rosa Island Authority
EXPENSES	
Business Type Activities:	
Operating Expenses	\$ 3,705,762
Total Program Expenses	<u>3,705,762</u>
PROGRAM REVENUES	
Charges for Services	6,032,835
Capital Grants and Contributions	185,944
Total Program Revenue	<u>6,218,779</u>
 Net Program (Revenue) Expenses	 <u>(2,513,017)</u>
GENERAL REVENUES	
Investment Gain (Loss)	11,790
Miscellaneous	237,661
Total General Revenues	<u>249,451</u>
Change in Net Position	2,762,468
Net Position - Beginning	<u>7,739,462</u>
Net Position - Ending	<u><u>\$ 10,501,930</u></u>

The notes to the financial statements are an integral part of the financial statements.

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

INDEX TO NOTES

PAGE

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Government-Wide Financial Statements	49
Financial Reporting Entity	49
Basis of Presentation – Government-Wide and Fund Financial Statements	51
Measurement Focus and Basis of Accounting	53
Budgetary Information	54
Property Taxes	54
Cash and Cash Equivalents	55
Investments	55
Inventories and Prepaid Items	55
Restricted Assets	55
Accounts Receivable	56
Interfund Transactions	56
Interfund Payables and Receivables	56
Leases	56
Capital Assets	56
Unearned Revenues	57
Deferred Outflows/Inflows of Resources	57
Self-Insurance Claims	58
Landfill Closure and Postclosure Care Payable	58
Long Term Obligations	58
Compensated Absences	59
Other Post-Employment Benefits (OPEB)	59
Net Pension Liability	59
Fund Balance Reporting and Governmental Fund-Type Definitions	59
Net Position	60

NOTE 2 – DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents	60
Investment Portfolio	61
Fair Value of Investments	63
Interest Rate Risk	63
Credit Risk	65
Custodial Credit Risk	66
Concentration of Credit Risk	66

NOTE 3 – CAPITAL ASSETS

Changes in Capital Assets	67
Summaries of Capital Assets	69
Construction and Other Contractual Commitments	70
Discretely Presented Component Unit	70

NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, ADVANCES AND TRANSFERS 71

NOTE 5 – OTHER ASSETS

PEDC Receivable	72
Lease Receivable	72
IHMC Note Receivable	73

NOTE 6 – LONG-TERM LIABILITIES

Schedule of Changes in Long-Term Liabilities	74
Bonds and Notes Payable	75
Pledged Revenues	76
Leases	76
Compensated Absences	77
Other Post Employment Benefits (OPEB)	78
Net Pension Liability (NPL)	79
Debt Service Requirements	80
Long-Term Debt – Bonds and Notes	82

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

INDEX TO NOTES (CONTINUED)

	PAGE
NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)	
Conduit Debt Obligations	83
Landfill Closure and Postclosure Care Liability	83
NOTE 7 – RISK MANAGEMENT PROGRAM	84
NOTE 8 – RETIREMENT SYSTEM	85
NOTE 9 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)	90
NOTE 10 – NET POSITION RESTRICTED FOR OTHER PURPOSES	95
NOTE 11– TAX BATEMENT	95
NOTE 12 – COMMITMENTS AND CONTINGENCY	
Litigation	96
Grants	96
Deficit Fund Equity	96
NOTE 13 – CHANGE IN ACCOUNTING PRINCIPLE	96
NOTE 14 – UNEARNED REVENUE	96

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-wide Financial Statements

The financial statements of Escambia County, Florida (the “County”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component unit. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component unit for which the primary government is financially accountable. Significant County accounting policies are described below.

B. Financial Reporting Entity

Escambia County, Florida (the County) is a political subdivision of the State of Florida created pursuant to Chapter 7 of the Florida Statutes. The County is governed by a five member Board of County Commissioners (the Board), elected from single-member districts. The Board has no powers other than those expressly vested in it by State Statute. In addition to the Board, there are five elected Constitutional Officers: pursuant to Article 8, Section 1(d), of the Constitution of the State of Florida; the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets. The Board funds a portion or, in certain instances, all of the operating budgets of the County’s Constitutional Officers.

The combining financial statements include the operations of the Board of County Commissioners, Clerk of the Circuit Court and Comptroller, Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections and those separately administered organizations for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Blended Component Unit

Community Redevelopment Agency (CRA) – Pursuant to Florida Statutes section 163 Part III, the Community Redevelopment Act of 1969 authorized governments to use tax increment financing as a means for community redevelopment. The primary purpose of this act is to provide local governments with a source of funds to revitalize the deteriorated portions of their communities; thus establishing a financial benefit or burden relationship between the primary government and the CRA. The primary government also has operational responsibility for the Community Redevelopment Agency. In 1995, the Board of County Commissioners adopted Ordinance No. 95-6 which established the Community Redevelopment Agency (CRA) of Escambia County. Eight redevelopment areas are included under the CRA jurisdiction. The County Board serves as the CRA Board and has all rights, powers, duties, privileges and immunities authorized by the Act. The CRA issues a standalone financial report, and is reported as a non-major special revenue fund in the fund financial statements of the County; a copy of this report may be found at the Community Redevelopment Agency Office; 221 Palafox Place; Suite 305, Pensacola Florida 32502.

Discretely Presented Component Unit

Proprietary Fund Type:

Santa Rosa Island Authority (SRIA) – The Santa Rosa Island Authority (SRIA) was established by the provisions of Chapter 24-500, Laws of Florida, and Special Acts of 1947, as amended. The County appoints five (5) members of the Authority's six (6) member Board, and one (1) member is elected by the eligible voters who are full time residents of the Island. The County approves the SRIA's budget and issuance of debt. The County has veto power over decisions of the SRIA. The SRIA serves, as the County's leasing agent for property on Santa Rosa Island owned by the County. The operations of SRIA are reported in the SRIA Fund, a discrete component unit in this report. Financial statements for the SRIA can be obtained at 1 Via Deluna, Pensacola Beach, Florida 32561.

Joint Venture:

As defined in Governmental Accounting Standards Board (GASB) Statement No. 14, a joint venture is a separate legal entity or other organization that results from a contractual arrangement (or interlocal agreement) and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an on-going financial interest or (b) an on-going financial responsibility. The County participates and provides financial support to the following non-equity joint venture:

Pensacola – Escambia County Promotion and Development Commission (PEDC) – This Commission was created in 1967 by Chapter 67-1365, Laws of Florida, amended in 1980 by Chapter 80-579, to promote and develop tourism and industry in Escambia County and in the City of Pensacola. The nine (9) member Commission consists of the President of the Chamber of Commerce, two (2) members of the Pensacola City Council, two (2) members of the Escambia County Commission, one (1) member of the Century City Council, one (1) representative of the Committee of 100 or the Tourist Advisory Council, one (1) at-large member appointed by the Pensacola City Council and one (1) at-large member appointed by the Escambia County Commission. The County and the City of Pensacola each contribute funds annually for the operation of the Commission, but neither has control of the budget or finances of the Commission. Separate financial statements are available from the Pensacola – Escambia County Promotion and Development Commission at 117 West Garden Street, Pensacola, Florida 32593-0550.

Summary financial statements as of September 30, 2022, for the joint venture are as follows:

PEDC
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2022

ASSETS:	\$ 17,712,488
LIABILITIES AND NET POSITION:	
Liabilities	\$ 10,615,431
Deferred Inflows of Resources	<u>2,528,794</u>
Net Position:	
Restricted:	61,198
Unrestricted:	
Committed	52,309
Unassigned	<u>4,454,756</u>
Total net position	<u><u>\$ 4,568,263</u></u>

PEDC
STATEMENTS OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2022

Revenues	\$ 1,263,529
Expenses	<u>(1,111,680)</u>
Change in net position	151,849
Net position - beginning	<u>4,416,414</u>
Net position - ending	<u><u>\$ 4,568,263</u></u>

C. Basis of Presentation – Government-wide and Fund Financial Statements

The basic financial statements consist of the government-wide (based on the County as a whole, including its component unit) and fund financial statements. Both sets of statements categorize primary activities as either governmental or business-type activities.

The government-wide financial statements include a statement of net position and a statement of activities which report on the government as a whole and provide a consolidated financial picture of the government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund activities are eliminated to avoid distorted financial results. The amounts reported as internal balances represent the residual amounts due between governmental and business-type activities. Fiduciary Funds of the government are also eliminated from this presentation since these resources are not available for general government funding purposes.

The statement of activities reports functional categories of programs provided by the County, and demonstrate how and to what degree those programs are supported by specific revenue. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on external fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given program are supported by specific revenues. *Direct expenses* are those that are clearly identifiable with a specific program. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. *General revenues* consist of all taxes and other items collected that help support all functions of Escambia County government.

Individual fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general fund includes the Board of County Commissioners, Clerk of Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

The *Disaster Recovery Fund* accounts for financing provided from various grants, or reimbursements to aid the County's recovery from either natural or man-made disasters. Due to the nature of this major fund, the County generally adopts an appropriated budget of zero.

The *Covid Escambia Fund* accounts for monies collected and disbursed pursuant to the Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, referred to the "CARES Act", to facilitate the provision of federal assistance and relief in response to the COVID-19 pandemic. Title V of the CARES Act established the "Coronavirus Relief Fund" to provide direct assistance to state, tribal, territorial, and local governments to fund certain necessary and allowable expenses incurred due to the public health emergency with respect to COVID-19. The American Rescue plan Act, signed into law on March 11, 2021, established the "Coronavirus State and Local Recovery Funds program" also to provide support to state, territorial, local, and tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents and businesses. Due to continued internal discussion pertaining to the use of these funds, no budget was set for Fiscal Year 2022.

The *Local Option Sales Tax Fund (LOST)* accounts for monies collected pursuant to Florida Statutes 212.055, which authorizes the County to impose a one percent (1%) local option infrastructure sales surtax upon taxable transactions occurring within Escambia County, to provide for road and drainage projects and improvements, recreation projects, public safety, expansion of jail and court facilities, and community redevelopment projects. This tax approved by referendum on March 10, 1992 was originally set to expire on December 31, 2017. On November 4, 2014, this tax was extended by referendum through December 31, 2028, as permitted by law.

The County reports the following major proprietary funds:

The *Solid Waste Fund* accounts for solid waste disposal (landfill) operations, primarily financed through franchise fees and user charges.

The *Emergency Medical Service Fund* accounts for the cost of emergency medical services provided in Escambia County. All activities necessary to provide such services are accounted for in this fund.

Additionally, the government reports the following fund types:

The *Internal Service Fund* by definition operates on a cost-recovery basis; and intends to recover the full cost of providing services, including the cost of capital assets (depreciation, related debt service, or estimated replacement cost). This fund accounts for risk management activities, activities for garage and fuel services provided to County departments, and for administration of employee benefits. Additionally, the internal service fund is used to account for balances and activity related to compensated absences policies of the Clerk of the Circuit Court and Comptroller, for court related activities.

Fiduciary Funds are custodial in nature, and are therefore excluded from the governmental-wide financial statements. These funds are used to account for assets held by the County as custodian for individuals, private organizations and governments. Fiduciary and Custodial funds use the economic resources measurement focus. Custodial funds are utilized by the Clerk of the Circuit Court and Comptroller, the Tax Collector, the Sheriff, and Board of County Commissioners. Resources include fines, forfeitures, and filing fees collected for other governmental agencies, support payments, jury and witness services, posted bonds collected for individuals, inmate trust funds, confiscated monies held as evidence, property taxes and fees for licenses.

D. Measurement Focus and Basis of Accounting

The **government-wide financial statements** and the **proprietary fund and fiduciary fund 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. State shared revenues, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditures generally are recorded when a liability is incurred, except debt service expenditures and expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. Capital asset acquisitions are recorded as expenditures in governmental funds. Monies received from issuing long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Escambia County allocates indirect costs comprised of administrative overhead costs to functional activities using various allocation charge methods. Therefore, expenses reported for functional activities include these allocated indirect costs. Elimination of these charges would distort the direct costs of the functions concerned.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements, with the exception of administrative overhead components as discussed above.

Amounts reported as program revenue include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided; 2) operating grants and contributions; and

3) capital grants and contributions, including special assessments. All taxes, including those dedicated for specific purposes, and internally dedicated resources are reported as general revenues rather than as program revenue.

Proprietary fund financial statements are reported using economic resource measurement focus and the accrual basis of accounting, distinguishing *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. Budgetary Information

Annual budgets are adopted on a basis consistent with *generally accepted accounting principles* as required by Florida Statute 129 for all governmental funds. In fiscal year 2022, the Disaster Recovery Fund and Covid Escambia Fund adopted original budget appropriations of zero. These budgets were subsequently amended.

On or before May 1 of each year, the Clerk of the Circuit Court and Comptroller, Property Appraiser, Supervisor of Elections, Sheriff and Tax Collector each submit to the Board of County Commissioners a tentative budget for the ensuing fiscal year.

Within fifteen days after certification of the ad valorem tax roll by the Property Appraiser, the County's Office of Management and Budget submits to the Board of County Commissioners a proposed budget for the fiscal year commencing the following October 1st. Pursuant to the provisions of Section 129.01, Florida Statutes, the proposed budgets as submitted contain balanced statements of estimated revenue and proposed appropriations for each fund required to be presented by law or sound financial practice, including the general, special revenue, debt service, and capital projects funds.

The Board holds public hearings and a final budget must be prepared and adopted no later than September 30. The County's budget is legally enacted through passage of a resolution.

The appropriated budget is prepared by fund, function and department. The Office of Management and Budget is authorized to transfer budgeted amounts within departments of a fund and between departments of a fund; however, the Board of County Commissioners must approve any revisions that alter the total expenditures of any fund. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Board of County Commissioners approved supplemental budget amendments during the year that increased the original budget.

All appropriations lapse at the end of each fiscal year, although the county expects to honor purchase orders and contracts in process, subject to authority provided in the subsequent year's budget.

F. Property Taxes

Under Florida law, the assessments of all properties and the collections of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and the County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. Pursuant to the State Constitution, Florida Statutes permit counties to levy ad valorem taxes on real and tangible personal property taxes at a rate not to exceed 10 mills for countywide purposes, exclusive of taxes levied for the payments of bonds and taxes levied for periods of not longer than 2 years and approved by a vote of the electors. All property is assessed at 100% of just value. For fiscal year 2022, the County-wide operating millage rate was 6.6165 mills. The County-wide

operating millage rate for the Library was .359 mills for a total of 6.9755 mills. The Law Enforcement MSTU rate is .685 for a total direct rate of 7.6605 mills.

The tax levy of the County is established by the Board of County Commissioners prior to October 1 of each year and the Tax Collector incorporates the millage into the total tax levy, which includes the municipalities, special districts, and the County School Board tax requirements and produces the tax bill.

All property is reassessed by the Property Appraiser, according to its fair market value on January 1 of each year. The certified assessment roll is delivered by the Property Appraiser to the Tax Collector.

All property taxes are billed in arrears and become due and payable on November 1 of each year. All unpaid taxes become delinquent on April 1 following the year which they are assessed. The legal lien date is January 1 of each year. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. Taxes paid in March are without discount. Tax certificates are sold for all delinquent taxes on real property. Virtually all unpaid taxes are collected via the sale of tax certificates prior to year-end. The County does not accrue its portion of the County-held tax sale certificates or personal property tax warrants because such amounts are not considered to be material.

G. Cash and Cash Equivalents

The County defines cash and cash equivalents as cash held at a depository and cash on hand for operating purposes and those investments which are short term and highly liquid. Generally, those investments have original maturities of three (3) months or less from the date of acquisition. The County maintains an equity in pooled cash fund. All monies which are not legally restricted to separate administration are pooled together for investment and are maintained on a daily transaction basis. Investment earnings are distributed in accordance with the participating funds' relative equity. The County's cash deposits are held by banks that qualify as public depositories under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. The County's cash deposits are fully insured by the Public Deposits Trust Fund.

H. Investments

Investments for the County are reported at fair value (generally based on quoted market prices) except for the Florida Prime Investment Pool, FL CLASS Investment Pool, and Florida Fixed Income Trust which are reported at amortized cost. The Florida Fixed income Trust Cash Pool Has a floating Net Asset Value (NAV) however the investment pool is managed to maintain a constant NAV. Investments are pooled together for investment purposes with each individual fund and/or account maintained on a daily transaction basis. Investment earnings are distributed in accordance with the participating funds' relative equity. Such investments consist of Certificates of Deposit, U.S. Treasury Securities, Federal Instruments, Commercial Paper, Corporate Notes, and State and/or Local Government Debt.

I. Inventories and Prepaid Items

Inventories are valued at cost, using the first-in/first-out method. Annual inventory expenditures reflect supplies consumed. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. These payments are recorded as expenditures/expenses when consumed rather than when purchased.

J. Restricted Assets

The use of certain assets in business-type activities is restricted by resolution or ordinance. Assets are designated as restricted since their use is limited. Restricted assets reported represent escrow deposits for

customers, funds held for the Saufley Construction and Demolition (C&D) project closure, and the Landfill Escrow held for landfill closure and post closure liability.

K. Accounts Receivable

Accounts Receivable are shown net of an allowance for uncollectible accounts. The Solid Waste Fund records an allowance for receivables older than 90 days, while the Internal Service Fund provides an allowance for receivables without collections during the past year. Employee training commitments are shown as uncollectable upon separation. All other County funds record an allowance on accounts older than 120 days. Accounts in the General Fund consist primarily of franchise fees receivable. The receivables at the end of the fiscal year include an estimated total allowance for uncollectable accounts in the amount of \$6.768 million. This allowance is comprised of \$5.775 million for ambulance receivables in the Emergency Medical Services Fund; \$732,800 for the Internal Service Funds related to the self insurance third party receivables; \$63,000 for the Local Option Sales Tax Fund; \$58,300 for HUD-CDBG housing programs, \$77,400 for the Mass Transit Fund, \$53,700 for Article V detention officer training and \$7,700 for the Solid Waste.

L. Interfund Transactions

Reimbursements to a fund for expenditures/expenses initially made from it, which are applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund, and reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

M. Interfund Payables and Receivables

Unpaid amounts of interfund transactions at year end are reflected as “due from other funds” or “due to other funds” in the related fund financial statements. Noncurrent portions of interfund payables and receivables are reported as advances. In governmental funds, advances are offset equally by nonspendable fund balance unless the funds are restricted or committed. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

N. Leases

The County’s lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreements, the County may receive variable lease payments that are dependent upon the lessee’s revenue. These variable payments based on future performance of the lessee or usage of the underlying asset should not be included in the measurement of lease receivable. Rather, those variable payments should be recognized as inflows of resources in the period to which those payments relate. However, any component of those variable payments that is fixed in substance should be included in the measurement of the lease receivable.

O. Capital Assets

Capital Assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Purchased or constructed assets are recorded at historical cost or at a price that would be paid to acquire the asset with equivalent service

potential in an orderly market transaction at the acquisition date. Donated capital assets are recorded at acquisition value at the acquisition date.

The County capitalizes items costing \$5,000 and having an estimated useful life in excess of one year. Buildings, public domain, and system infrastructure assets which represent major expenditures for such items as roads, water and sewer lines, landfill improvements, parks, and drainage systems are capitalized at historical cost. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital Assets are depreciated over their estimated useful lives unless they are inexhaustible or are intangible assets with indefinite useful lives. The term depreciation (and related forms of the term) includes amortization of intangible assets.

Depreciation has been provided using the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Buildings	10 – 50 years
Improvements	20 – 50 years
Infrastructure	20 – 50 years
Equipment	3 – 10 years
Intangibles	3 – 5 years
Leased assets	3 – 10 years

P. Unearned Revenues

Unearned revenues include amounts collected before revenue recognition criteria are met. Expenditure-driven grants and unearned revenue for exchange type transactions are reported as unearned at the end of the fiscal year.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s). Deferred inflows of resources represent an acquisition of net position that applies to future periods.

The County has three items that qualify for reporting as deferred outflows of resources. The first is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the deferred outflow of resources related to pensions reported in the government-wide and proprietary statements of net position. The deferred outflows for pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statements No. 68, *Accounting and Financial Reporting for Pensions* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These deferred outflows for pension will be recognized as pension expense or a reduction of the net pension liability in future reporting years. The third is the deferred outflow of resources related to OPEB reported in the government-wide and proprietary statements of net position. The deferred outflows for OPEB are an aggregate of items related to changes in assumptions and other inputs as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than*

Pensions. These deferred outflows for OPEB will be recognized as benefit expense or a reduction of the net OPEB liability in future reporting years.

The County also reports deferred inflows of resources in the government-wide and proprietary statements of net position. The unavailable revenue for leases is deferred and recognized as an inflow of resources in the period that the amounts become available. The SRIA also has deferred inflows for fees collected prior to the time requirements being met. The deferred inflows for pensions are an aggregate of items related to pensions as calculated under the same principles as the deferred outflows for pensions, and will be recognized as a reduction to pension expense in future reporting years. The deferred inflows for OPEB are an aggregate of items related estimated benefits paid after the measurement date as calculated under the same principles as the deferred outflows for OPEB, and will be recognized as a reduction to benefit expense in future reporting years.

R. Self-Insurance Claims

Liabilities for reported claims and incurred but not reported claims (IBNR) are estimated based on an actuarial review of claims pending and historical experience.

S. Landfill Closure and Postclosure Care Payable

The County recognizes municipal solid waste landfill closure and post closure care costs under the State of Florida's Solid Waste Management Act of 1988, regulations of the Federal Environmental Protection agency and the GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post closure Care Costs*. The County is required to place a final cover on closed landfills and to provide long-term care for up to thirty years after final cover. These obligations for closure and postclosure are recognized in the Solid Waste Fund over the active life of the landfill, based on landfill capacity used to date.

T. Long Term Obligations

Payments on long term liabilities which are expected to be financed from governmental funds are accounted for as debt service expenditures. For proprietary fund types, long term debt and other obligations are reported as liabilities in the fund financing the obligation. In the government-wide and the proprietary fund financial statements these amounts are reported as liabilities in the statement of net position.

Debt issuance cost, except for prepaid insurance, are expensed in the period incurred. Prepaid insurance cost are reported as an asset and amortized in a systematic and rational manner over the duration of the related debt.

Legal debt margin for bond payments are governed by Florida Statutes 200.181. None of the provisions of this chapter limit or restrict the rate or amount of ad valorem taxes levied for the payment of the principal and the interest on any debt service secured by revenue certificates or by bonds for which the full faith and credit of any taxing district may be pledged.

The County reports pollution remediation obligations, in accordance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. The circumstances under which the County will have to estimate, record, and disclose its expected outlays for pollution remediation include: the pollution is an imminent danger to public health or welfare; the government is in violation of a pollution prevention-related permit or license; the government has been named as a responsible party under Superfund or similar state laws; the government is named in a lawsuit that would require participation in remediation activities; or the government legally commits itself to conduct remediation activities.

U. Compensated Absences

The County's reporting of accumulated compensated absences complies with GASB Statement No. 16, *Accounting for Compensated Absences*. The County's policy permits eligible employees to accumulate a limited amount of earned but unused leave based on years of employment. While employees are encouraged to use their annual leave in the year that it is earned, unused leave time is paid upon separation of service. Compensated absences are recorded as a liability when the benefits are earned in the government-wide and proprietary fund financial statements. The governmental funds recognize an expenditure at the time payments are made to employees.

V. Other Post Employment Benefits (OPEB)

Under the provisions of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB), the government-wide and proprietary fund financial statements recognize the OPEB expense along with the related liability, deferred outflows and inflows of resources. The OPEB liability is the difference between the total OPEB liability and the plan's fiduciary net position. The plan is currently unfunded. The government-wide financial statements include the liability of all plan participants for the Board of County Commissioners, the Constitutional Officers, and the Santa Rosa Island Authority.

W. Net Pension Liability

The government-wide and proprietary fund financial statements net pension liability represents the County's proportionate share of the net pension liability of the cost-sharing pension plan in which it participates. The County participates in the Florida Retirement System (FRS) and the Health Insurance Subsidy Program (HIS) which are administered by the Florida Division of Retirement. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, additions/deductions, and information about the fiduciary's net position have been determined on the same basis as they are reported by this cost-sharing plan. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The government-wide financial statements include the liability of all plan participants for the Board of County Commissioners and the Constitutional Officers.

X. Fund Balance Reporting and Governmental Fund-Type Definitions

GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* clarify governmental fund balance classifications and fund-type definitions. The Board of County Commissioners is the County's highest level of decision-making authority. Governmental fund balances are classified either as nonspendable or spendable. Spendable fund balances (restricted, committed, assigned, or unassigned) are further classified below in a hierarchy based on the extent to which there are external and internal constraints on spending of these fund balances. These classifications are described as follows:

Nonspendable fund balance - include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. Nonspendable types consist of inventories, prepaid amounts, long-term amounts of other assets, loans, notes, and advances receivable, and may include property acquired for resale.

Restricted fund balance – include amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action of an ordinance of the Board of County Commissioners, the highest level of decision making

authority. Commitments may be changed or lifted only by the Board of County Commissioners taking the same formal action of an ordinance that imposed the constraint originally.

Assigned fund balance – comprises amounts intended to be used by the government for specific purposes. The Board of County Commissioners or management designee (via action by the Board of County Commissioners) has the authority as the official authorized to assign fund balance to a specific purpose as provided by the fund balance policy. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that the resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance – is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned amounts are technically available for any purpose. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County has adopted a formal fund balance policy. It is the County's goal to maintain a targeted minimum unrestricted fund balance (the sum of the Committed, Assigned and Unassigned fund balance) equal to 2 months of the current fiscal year's operating expenditures and transfers out budgeted for the fund. This unrestricted fund balance is needed to cover short-term cash flow variations, economic downturns, or unanticipated events that would adversely affect the financial condition of the County and jeopardize the continuation of necessary public services.

Compliance with the provisions of the fund balance policy is reviewed as part of the annual budget adoption process and revisions to the levels of fund balance can be determined during this process. Budgeting of amounts of unassigned fund balance for the purpose of balancing the budget requires the Board of County Commissioners' approval.

When multiple categories of fund balance are available for expenditures, the County will start with the most restricted category, unless there are legal documents/contracts that prohibit this order, such as grant agreements requiring dollar for dollar spending. Unassigned fund balance is used when expenditures are incurred for purposes which amounts in any classification could be used.

Y. Net Position

The net positions of proprietary funds, governmental activities and business-type activities are made up of three components. *Net Investment in Capital Assets* which represents net capital assets less related long-term liabilities; unspent debt proceeds will increase this amount. The *Restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The restricted component represents assets that are legally restricted. They include reserve funds, special revenues restricted by statute or ordinance, bond proceeds, and other sources restricted for capital or improvements. The *unrestricted* component of net position is the balance not included in the determination of net investment in capital assets or the restricted component of net position.

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Cash and Cash Equivalents

At September 30, 2022, the County's carrying value of cash and cash equivalents totaled \$372,334,608, which is presented as \$356,599,596 in the statement of net position and \$15,735,012 in the statement of fiduciary net position.

Additionally, funds are placed with the State Board of Administration for participation in the Florida Prime Investment Pool, created by Section 218.405, Florida Statutes. This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. The County's investment in the

Florida Prime Investment Pool, a Security and Exchange Commission (SEC) Rule 2a7-like external investment pool is reported at amortized cost, which is not materially different from fair value. Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant Net Asset Value (NAV) of \$1.00 per share, provided that such funds meet certain conditions. The Florida Prime Investment Pool has a dollar weighted average days to maturity "WAM" of 21 days as of September 30, 2022. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida Prime at September 30, 2022 is 72 days. There are no restrictions on redemptions. The Florida Prime Investment Pool is rated by Standard and Poors. The current rating is AAAM.

The County participates in the Florida Cooperative Liquid Asset Securities System (FLCLASS). This investment pool is a stable NAV Government Investment Pool established under Section 218.415, Florida Statutes; and is an intergovernmental investment authorized pursuant to the Florida Interlocal Cooperation Act of 1969. The County's investment in FLCLASS is reported at amortized cost, which is not materially different from fair value. FLCLASS has a dollar weighted average days to maturity "WAM" of 26 days as of September 30, 2022. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of FLCLASS at September 30, 2022 is 67 days. There are no restrictions on redemptions. FLCLASS is rated by Standard and Poors. The current rating is AAAM.

The County also participates in the Florida Fixed Income Trust (FL FIT). This investment pool is managed as a Floating NAV and managed to dollar in/dollar out Local Government Investment Pool authorized under Section 218.415, Florida Statutes; and is an intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969. The County's investment in the FL FIT cash pool is reported at net asset value. FL FIT has a dollar weighted average days to maturity "WAM" of 12 days as of September 30, 2022. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM to reset. The weighted average life (WAL) of FL FIT at September 30, 2022 is 83 days; this duration is equivalent to WAM to final. There are no restrictions on redemptions. FL FIT is rated by Standard and Poors. The current rating is AAAf.

The County's cash deposits are held by banks that qualify as public depositories under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. At September 30, 2022 the carrying amount of the County's cash deposits totaled \$87,911,243 cash in money market funds totaled \$121,848 the County's investment in the Florida Prime Investment Pool totaled \$179,851,190, the County's investment in FLCLASS totaled \$40,680,240 and the County's investment in FL FIT totaled \$63,770,087.

B. Investment Portfolio

The Escambia County Board of County Commissioners and Escambia County Clerk of the Circuit Court and Comptroller (Clerk) formally adopted the comprehensive investment policy in January 2010. The policy was created pursuant to Section 218.415, Florida Statutes and established permitted investments, asset allocation limits, issuer limits, credit ratings requirements, and maturity limits to protect the County's cash and investment assets. The County maintains a common cash and investment pool for the use of all funds.

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in the County's investment policy. The Board adopted a list of permitted investments by ordinance, and updated the investment policy in May 2018. The policy allows for the following investments: US Government Securities, US Government Agencies, Federal Instruments, Interest Bearing Time Deposit or Savings Accounts, Agency Mortgage-Backed Securities, Asset-Backed Securities, Repurchase Agreements, Commercial Paper, Corporate Notes, Bankers' Acceptances, State and/or local government taxable and/or tax-exempt debt Registered Investment Companies (Money Market Mutual Funds), and Intergovernmental Investment Pools that contain no derivatives. Derivatives and reverse repurchase agreements are not permitted by the County's investment policy.

The County's investment policy provides asset allocation, issuer, and maturity limits to protect the County's cash and investments. The policy allows for a short-term strategy (maturities of 12 months or less) to

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

provide for operating funds and a longer-term strategy (maturities not exceeding 5 years) for the “core” portion of the portfolio. As defined by GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, money market investments are reported at amortized costs rather than fair value. The County's investments as defined by GASB Statement No. 72, *Fair Value Measurement and Application* are reported at fair value based on level 2 inputs for quoted prices for identical investments in active markets.

The Constitutional Officers electing not to adopt a written investment policy are limited to investing funds pursuant to Section 218.415, Florida Statutes, and subsection (17). Those investments include the Local Government Surplus Trust Fund, or any authorized intergovernmental investment pool, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits or savings accounts in qualified public depositories, and direct obligations of the U.S. Treasury.

The County's investment portfolio consists of \$123,383,209 in direct obligations of United States Treasury Securities, Federal Instruments, Commercial Paper, Corporate Notes, State and/or Local Government debt, and Local Government Investment Pool funds which are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and GASB Statement No. 72, *Fair Value Measurement and Application*.

As of September 30, 2022, interest receivable on the County's investment portfolio amounted to \$305,957.

The County had the following investment types by issuer and effective duration presented in terms of years:

Security Type	Fair Value	Weighted Average Duration (Years)	Credit Rating	Percentage of Portfolio
Short Term Investments:				
United States Treasury Securities	\$ 821,579	0.83	AA+	0.67%
Federal Instruments	4,501,301	0.87	AA+	3.65%
State and/or Local Government Debt	529,108	0.60	AA	0.43%
Corporate Notes	3,911,909	0.60	A	3.17%
Asset-Backed Security	4,508,934	0.57	AAA	3.65%
Total short term investments	14,272,830			11.57%
Long Term Investments:				
United States Treasury Securities	\$ 35,754,371	1.88	AA+	28.98%
Federal Instruments	4,386,752	1.14	AA+	3.56%
State and/or Local Government Debt	2,874,155	2.79	AA	2.33%
Corporate Notes	21,657,236	2.18	A+	17.55%
Asset-Backed Security	10,287,489	1.94	AAA	8.34%
Local Government Investment Pool	34,150,375	1.15	AAA	27.68%
Total long term investments	109,110,378			88.43%
Total Fair Value	\$ 123,383,209			100.00%
Portfolio Weighted Average Duration		1.59		

C. Fair Value of Investments

Escambia County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and
- *Level 3:* Unobservable inputs.

Escambia County uses the market approach method as a valuation technique in the application of GASB Statement No. 72. Security values are derived from pricing sources Refinitiv or Bloomberg provided by the County's third party vendor, PFM Asset Management.

At September 30, 2022, Escambia County had the following recurring fair value measurements.

	9/30/2022	Level 1	Level 2	Level 3
Investments by fair value level				
Debt Securities				
Corporate Notes - Long Term	\$ 21,657,236	\$ -	\$ 21,657,236	\$ -
Corporate Notes - Short Term	3,911,909	-	3,911,909	-
United States Treasury Securities - Long Term	35,754,371	-	35,754,371	-
United States Treasury Securities - Short Term	821,579	-	821,579	-
Federal Instruments - Long Term	4,386,752	-	4,386,752	-
Federal Instruments - Short Term	4,501,301	-	4,501,301	-
Local Government Investment Pool	34,150,375	-	34,150,375	-
State and/or Local Government Debt - Long Term	2,874,155	-	2,874,155	-
State and/or Local Government Debt - Short Term	529,108	-	529,108	-
Asset Backed Securities - Long Term	10,287,489	-	10,287,489	-
Asset Backed Securities - Short Term	4,508,934	-	4,508,934	-
Total debt securities	<u>\$ 123,383,209</u>	<u>\$ -</u>	<u>\$ 123,383,209</u>	<u>\$ -</u>
Investments (cash equivalents) measured at the net asset value (NAV)				
LGIP - FL Prime	179,851,190			
LGIP - FL FIT	63,770,087			
LGIP - FLCLASS	40,680,240			
Total investments measured at the NAV	<u>284,301,517</u>			
Total investments measured at fair value	<u>\$ 407,684,726</u>			

D. Interest Rate Risk

The County's investment policy sets limits for investment maturities to match known cash needs and anticipated cash flow requirements. Investments of current operating funds have maturities no longer than twelve (12) months. Core funds, investments of reserves, project funds, debt proceeds, and other non-operating funds have a term appropriate for the needs of the funds in accordance with debt covenants, with a maximum term of five (5) years, and the average duration of the funds as a whole may not exceed three (3) years.

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

The County utilizes “weighted average duration” as a measurement of interest rate risk; as of September 30, 2022, the investments had a weighted average duration of 1.59 years.

The County had \$9,401,012 of securities with embedded options consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate as follows:

CUSIP	Description	Maturity Date	Market Value	Call Schedule	Call Date
377373AL9	Glaxosmithkline Capital Corp (Callable) Note	10/1/2023	268,627	Continuous	10/1/2022
38141GXL3	Goldman Sachs Group Inc Notes (Callable)	11/17/2023	312,651	Continuous	11/17/2022
38141GXZ2	Goldman Sachs Group Inc Notes (Callable)	3/8/2024	459,071	Continuous	3/8/2023
46647PBZ8	JPMorgan Chase & Co Corporate (Callable) Notes	3/16/2024	225,071	Continuous	3/16/2023
808513BN4	Charles Schwab Corp (Callable) Notes	3/18/2024	179,816	Continuous	2/18/2024
61772BAA1	Morgan Stanley Corp Notes (Callable)	4/5/2024	234,324	Continuous	4/5/2023
06406RAS6	Bank of NY Mellon (Callable) Notes	4/26/2024	168,855	Continuous	3/26/2024
172967MR9	CitiGroup Inc (Callable) Corp Notes	5/15/2024	454,993	Continuous	5/15/2023
67066GAL8	Nvidia Corp Notes (Callable)	6/14/2024	438,609	Continuous	6/14/2023
025816CG2	American Express Co Corp Notes (Callable)	7/30/2024	430,962	Continuous	6/30/2024
404280CU1	HSBC Holdings Plc Corp Notes (Callable)	8/17/2024	319,627	Continuous	8/17/2023
38141GYE8	Goldman Sachs Group Inc Notes (Callable)	9/10/2024	438,156	Continuous	9/10/2023
641062AU8	Nestle Holdings Inc Corp Notes (Callable)	9/14/2024	624,125	Continuous	9/14/2023
06406RAX5	Bank of NY Mellon (Callable) Notes	10/25/2024	383,277	Continuous	9/25/2024
172967MT5	CitiGroup Inc (Callable) Corp Notes	10/30/2024	445,640	Continuous	10/30/2023
771196BT8	Roche Holdings Inc (Callable) Note	3/10/2025	726,295	Continuous	2/10/2025
437076CM2	Home Depot Inc (Callable) Corp Note	4/15/2025	66,739	Continuous	3/15/2025
06406RBC0	Bank of NY Mellon (Callable) Notes	4/25/2025	434,212	Continuous	3/25/2025
61747YEA9	Morgan Stanley Corp Notes (Callable)	5/30/2025	349,610	Continuous	5/30/2024
46647PCH7	JPMorgan Chase & Co Corporate (Callable) Notes	6/1/2025	985,708	Continuous	6/1/2024
025816CY3	American Express Co Corp Notes (Callable)	8/1/2025	213,088	Continuous	7/1/2025
437076CR1	Home Depot Inc (Callable) Corp Note	9/15/2025	78,606	Continuous	8/15/2025
857477BE2	State St Bank & Tr Corp Notes (Callable)	11/1/2025	425,072	Continuous	11/1/2024
06051GKM0	Bank of America Corp Notes (Callable)	4/2/2026	189,210	Continuous	4/2/2025
06051GJD2	Bank of America Corp Notes (Callable)	6/19/2026	406,972	Continuous	6/19/2025
06406RBJ5	Bank of NY Mellon (Callable) Notes	7/24/2026	141,698	Continuous	7/24/2025

\$ 9,401,012

The County's long term portfolio has no federal instrumentalities mortgage pass-through securities, but does contain asset-backed securities rated AAA.

The Local Government Investment Pool Short-Term Bond Fund contains asset-backed securities rated AAA, and collateralized mortgage obligations.

E. Credit Risk

The County's investment policy permits the following investments, which are limited to credit quality ratings from nationally recognized rating agencies as described below:

- U.S. Government Treasury Securities, U.S. Government Agency, and Federal Instruments.
- Commercial paper of any United States company that is rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper).
- Corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum "A" by Moody's and a minimum long-term debt rating of "A" by Standard & Poor's.
- Bankers' acceptances issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, if at the time of purchase, the short-term paper is rated, at a minimum "P-1" by Moody's Investors Services and "A-1" by Standard & Poor's.
- Agency Mortgage Backed Securities that are issued or fully guaranteed as to principal and interest by a U.S. Federal agency or government sponsored enterprise; and asset backed securities with underlying collateral.
- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt, or rated at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt.
- Registered Investment Companies (Money Market Mutual Funds) rated "AAAm" by Standard & Poor's or the equivalent by another rating agency.
- Intergovernmental Investment Pool rated "AAAm, AAAf, S1" by Standard & Poor's or the equivalent by another rating agency.

As of September 30, 2022, the majority of the County's investment securities in the amount of \$129,064,181 were all individually rated AAA, AA+, AA, A+ or A or by Standard & Poors Rating Services.

The County's \$179,851,190 investment in the Florida State Board of Administration's Local Government Surplus Funds Trust Fund (FL PRIME) was rated by Standard and Poors. The current rating as of September 30, 2022 was AAAm. Additional information for the Florida Prime Investment Pool can be found at <https://www.sbafla.com/prime>.

The County's \$34,150,375 investment in the Local Government Investment Pool Short-Term Bond Fund is rated by Fitch. The current rating as of September 30, 2022 was AAAf, consisting of individually rated securities, primarily AAA rated. Additional information for the Florida Trust Short-Term Bond fund can be found at <http://www.floridatrustononline.com>.

The County's \$40,680,240 investment in Florida Cooperative Liquid Asset Securities System (FLCLASS) Local Government Investment Pool was rated by Standard and Poors. The current rating as of September 30, 2022 was AAAM. Additional information for FLCLASS can be found at <https://www.flclass.com>.

The County's \$63,770,087 investment in Florida Fixed Income Trust (FL FIT) Local Government Investment Pool was rated by Standard and Poors. The current rating as of September 30, 2022 was AA Af. Additional information for FL FIT can be found at <https://fl-fit.com>.

F. Custodial Credit Risk

The County's investment policy requires securities, with the exception of certificates of deposits, to be held with a third party custodian; and all securities purchased by, and all collateral obtained by the County to be properly designated as an asset of the County. The securities must be held in an account separate and apart from the assets of the financial institution. Certificates of deposits are placed in the provider's safekeeping department for the term of the deposit.

As of September 30, 2022, the County's securities portfolio was held with a third-party custodian as required by the County's investment policy.

G. Concentration of Credit Risk

The County's investment policy establishes asset allocation and issuer limits on the following investments to reduce concentration of credit risk of the County's investment portfolio:

	Asset Allocation Maximum	Individual Issuer Limit
United States Government Securities	100%	N/A
United States Government Agencies (1)	100%	40%
Federal Instruments (1)	75%	40%
Interest Bearing Time Deposit or Saving Account	50%	15%
Repurchase Agreements	20%	10%
Commercial Paper	25%	5%
Corporate Notes	50%	5%
Agency Mortgage-Backed Securities	25%	25%
Asset-Backed Securities	25%	5%
Bankers' Acceptances	10%	5%
State and/or Local Government Taxable and/or Tax-Exempt Debt	25%	5%
Registered Investment Companies (Money Market Mutual Funds)	50%	25%
Intergovernmental Investment Pool (2)	75%	50%

(1) Treasury Strips are limited to 10% of available funds

(2) Fund may not contain derivatives

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 3 – CAPITAL ASSETS

A. Changes in Capital Assets

The following show the changes in capital assets of governmental activities:

Governmental Activities	Primary Government			Ending Balance 9/30/2022
	Beginning Balance 9/30/2021	Increases	Decreases	
Capital Assets, Not Being Depreciated:				
Land	\$ 78,549,349	\$ 3,528,061	\$ -	\$ 82,077,410
Construction In Progress	16,265,601	6,016,958	(15,295,753)	6,986,806
Total Capital Assets, Not Being Depreciated	<u>94,814,950</u>	<u>9,545,019</u>	<u>(15,295,753)</u>	<u>89,064,216</u>
Capital Assets, Being Depreciated and Amortized:				
Buildings and Improvements	373,515,981	6,960,395	-	380,476,376
Equipment	151,654,980	16,710,224	(14,764,439)	153,600,765
Intangible Computer Software	8,960,004	-	-	8,960,004
Infrastructure	968,130,070	36,528,769	-	1,004,658,839
Leased Buildings	996,410	-	-	996,410
Total Capital Assets Being Depreciated	<u>1,503,257,445</u>	<u>60,199,388</u>	<u>(14,764,439)</u>	<u>1,548,692,394</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(143,091,329)	(9,288,651)	-	(152,379,980)
Equipment	(119,115,400)	(8,951,629)	13,181,309	(114,885,720)
Intangible Computer Software	(8,350,668)	(189,862)	-	(8,540,530)
Infrastructure	(593,916,344)	(19,458,192)	-	(613,374,536)
Leased Buildings	-	(286,550)	-	(286,550)
Total Accumulated Depreciation	<u>(864,473,741)</u>	<u>(38,174,884)</u>	<u>13,181,309</u>	<u>(889,467,316)</u>
Total Capital Assets, Being Depreciated, Net	<u>638,783,704</u>	<u>22,024,504</u>	<u>(1,583,130)</u>	<u>659,225,078</u>
Governmental Activities Capital Assets, Net	<u>\$ 733,598,654</u>	<u>\$ 31,569,523</u>	<u>\$ (16,878,883)</u>	<u>\$ 748,289,294</u>

The following is a summary of governmental activities depreciation and amortization expense by function. As used in this section, the term depreciation includes amortization of intangible assets:

Depreciation Governmental Activities:	
General Government	\$ 4,521,584
Public Safety	11,520,129
Physical Environment	908,976
Transportation	15,716,519
Economic Environment	781,582
Human Services	135,447
Culture/Recreation	3,100,877
Court Related	1,421,637
Capital Assets held by the government's Internal Service Fund and charged to individual functions based on usage	<u>68,133</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 38,174,884</u>

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

The following shows the changes in capital assets of business type activities:

Business-type Activities	Primary Government			Ending Balance 9/30/2022
	Beginning Balance 9/30/2021	Increases	Decreases	
Capital Assets, Not Being Depreciated:				
Land	\$ 5,793,269	\$ 2,950	\$ -	\$ 5,796,219
Construction In Progress	369,312	3,464,300	-	3,833,612
Total Capital Assets, Not Being Depreciated	6,162,581	3,467,250	-	9,629,831
Capital Assets, Being Depreciated:				
Buildings and Improvement	38,596,264	-	-	38,596,264
Equipment	31,944,760	4,121,955	(2,781,794)	33,284,921
Intangible Computer Software	176,255	-	-	176,255
Infrastructure	56,806,144	-	-	56,806,144
Total Capital Assets Being Depreciated	127,523,423	4,121,955	(2,781,794)	128,863,584
Less Accumulated Depreciation For:				
Buildings and Improvements	(31,637,612)	(971,446)	-	(32,609,058)
Equipment	(23,384,623)	(2,200,136)	2,586,159	(22,998,600)
Intangible Computer Software	(176,255)	-	-	(176,255)
Infrastructure	(31,031,299)	(1,397,282)	-	(32,428,581)
Total Accumulated Depreciation	(86,229,789)	(4,568,864)	2,586,159	(88,212,494)
Total Capital Assets, Being Depreciated, Net	41,293,634	(446,909)	(195,635)	40,651,090
Total Business-Type Activities				
Capital Assets, Net	\$ 47,456,215	\$ 3,020,341	\$ (195,635)	\$ 50,280,921

The following is a summary of business-type activities depreciation expense by program:

Depreciation Business-type activities:	
Solid Waste Fund	\$ 2,987,511
Inspections Fund	58,852
Emergency Medical Service Fund	762,468
Bay Center Fund	760,033
Total Depreciation Expense - Business-type Activities	<u>\$ 4,568,864</u>

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

B. Summaries of Capital Assets

The following summarizes capital assets found on the statement of net position for governmental activities and business-type activities:

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Capital Assets, Not Being Depreciated:			
Land	\$ 82,077,410	\$ 5,796,219	\$ 87,873,629
Construction In Progress	6,986,806	3,833,612	10,820,418
Total Capital Assets, Not Being Depreciated:	89,064,216	9,629,831	98,694,047
Capital Assets, Being Depreciated and Amortized, Net:			
Buildings	380,476,376	38,596,264	419,072,640
Equipment	153,600,764	33,284,921	186,885,685
Intangible Computer Software	8,960,004	176,255	9,136,259
Infrastructure	1,004,658,839	56,806,144	1,061,464,983
Leased Building	996,410		996,410
Capital Assets, Being Depreciated:	1,548,692,393	128,863,584	1,677,555,977
Less: Accumulated Depreciation	(889,467,316)	(88,212,494)	(977,679,810)
Total Capital Assets, Being Depreciated, Net:	659,225,077	40,651,090	699,876,167
Total Capital Assets, Net	\$ 748,289,293	\$ 50,280,921	\$ 798,570,214

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

C. Construction and Other Contractual Commitments

The following is a summary of major construction and other contractual commitments outstanding as of September 30, 2022:

Projects	Spent-to-Date	Remaining Commitment
Governmental Activities:		
Building Projects	\$ 8,537,377	\$ 11,256,647
County Jail Facility	97,379,985	82,160
Environmental Projects	3,500,096	1,718,977
Road & Bridge Projects	18,442,183	35,287,470
Pensacola Beach Projects	3,277,467	1,332,161
Economic Development Projects	867,759	114,591
Parks Projects	705,819	90,677
Vehicles and Equipment	2,840,257	9,424,159
Transit	437,518	867,978
Community Redevelopment Projects	79,401	131,180
Disaster Recovery	5,879,020	10,780,784
RESTORE Projects	4,239,328	5,240,817
Total	\$ 146,186,210	\$ 76,327,601
Business Type Activities		
Solid Waste Landfill Projects	\$ 3,594,614	\$ 11,018,466
Solid Waste Landfill Equipment	-	630,703
Total	\$ 3,594,614	\$ 11,649,169

D. Discretely Presented Component Unit

Capital assets activity for the Santa Rosa Island Authority, a discretely presented component unit, for the year ended September 30, 2022, was as follows:

	Component Unit		
	Beginning Balance 9/30/2021	Increases	Decreases
Santa Rosa Island Authority	9/30/2021	Increases	Decreases
Capital Assets, Being Depreciated:			
Buildings	\$ 1,064,609	-	-
Improvements other than Buildings	71,214	-	-
Equipment	210,767	-	-
Total Capital Assets Being Depreciated	1,346,590	-	-
Less Accumulated Depreciation For:			
Capital Assets	(792,108)	(46,334)	-
Capital Assets, Net	\$ 554,482	\$ (46,334)	\$ -

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

The following is a summary of the component unit business-type activities depreciation expense by program:

Depreciation component unit:	
Santa Rosa Island Authority	\$ 46,334
Total Depreciation Expense - Component Unit	<u>\$ 46,334</u>

NOTE – 4 INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS

The composition of interfund balances as of September 30, 2022 is as follows:

	Receivable From Other Funds	Payable to Other Funds
Major Funds:		
General Fund	\$ 201,499	\$ 644,670
Major Capital Project Fund:		
Local Option Sales Tax Fund (LOST)	-	103,744
Non-major Funds:		
Special Revenue Funds	267,475	8,440
Internal Service Fund	296,320	-
	<u>\$ 756,854</u>	<u>\$ 756,854</u>
	Advances Receivable from Other Funds	Advances Payable to Other Funds
Major Funds:		
General Fund:	\$ 5,481,504	\$ -
Major Special Revenue Funds:		
Disaster Recovery Fund	-	36,118,800
Major Capital Project Fund:		
Local Option Sales Tax Fund (LOST)	38,126,682	-
Non-major Funds:		
Special Revenue Funds	-	7,489,386
	<u>\$ 43,608,186</u>	<u>\$ 43,608,186</u>

Interfund receivables and payables resulted primarily from revenues accrued in certain funds that are transferred to other funds. Advances consist primarily of transactions between funds to finance operations, provide services, construction of assets and to service debt. An advance of \$50 million was provided from the Local Option Sales Tax Fund (LOST) to the Disaster Recovery Fund to cover expenditures related to Hurricane Sally until pending FEMA reimbursements are realized.

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 4,495,072	\$ 20,905,116
Major Capital Project Fund:		
Local Option Sales Tax (LOST)	-	5,839,301
Major Enterprise Fund:		
Solid Waste Fund	-	646,000
Emergency Medical Service Fund	-	359,834
Non-major Funds:		
Special Revenue Funds	17,201,092	7,390,446
Debt Service Funds	11,944,533	-
Enterprise Funds	1,500,000	-
	<u>\$ 35,140,697</u>	<u>\$ 35,140,697</u>

Transfers to or from other funds are based on budgetary requirements as determined by the Office of Management and Budget. These transfers are primarily established during initial budget adoption. However, transfers may also be established through Supplemental Budget Amendments as necessary throughout the fiscal year. Transfers are also used to move pledged revenue for debt service from the funds collecting the revenue to the debt service fund as required for bond coverage.

NOTE 5 – OTHER ASSETS

A summary of other assets as of September 30, 2022 is as follows:

	<u>General Fund</u>	<u>LOST Fund</u>	<u>Total</u>
PEDC receivable	\$ 12,996	\$ 2,319,288	\$ 2,332,284
Lease receivable	6,010,060	-	6,010,060
IHMC loan receivable	-	4,985,000	4,985,000
	<u>\$ 6,023,056</u>	<u>\$ 7,304,288</u>	<u>\$ 13,327,344</u>

A. PEDC Receivable

The County has an interlocal agreement with the Pensacola Economic Development Commission (PEDC) To fund the development of the Downtown Technology Park Infrastructure. The majority of the funding source is from Local Option Sales Tax. There is no time limitation on the repayment; however, net proceeds from the sale of each Downtown Technology Park lot will be applied to the outstanding balance.

B. Lease Receivable

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreements, the County may receive variable lease payments that are dependent upon the lessee's revenue. These variable payments based on future performance of the lessee or usage of the underlying asset should not be included in the measurement of lease receivable. Rather, those variable payments should be recognized as inflows of resources in the period to which those

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

payments relate. However, any component of those variable payments that is fixed in substance should be included in the measurement of the lease receivable.

The County leases land, building, and office space to third parties. As of September 30, 2022, the County's lease receivables were valued at \$6,010,060 and the deferred inflow of resources associated with these leases that will be recognized as revenue over the term of the leases are \$5,891,931. The lease receivables for Governmental Activities at September 30, 2022 were as follows:

Governmental Activities:	<u>Lease Receivable</u>
Land leases- annual lease payments totaling \$62,059 plus interest at a rate of 2.45-3.04%, due dates ranging from October 1, 2021 to June 25, 2039.	\$ 673,724
Building and office space leases- annual lease payments totaling \$680,179 plus interest at a rate of 1.25-1.99%, due dates ranging from October 1, 2021 to January 1, 2026	5,336,336
Total Government Activities Lease Receivables	<u>\$ 6,010,060</u>

The County's principal operations are not related to lessor activities, therefore, not considered necessary to disclosure future maturities.

C. IHMC Note Receivable

On November 14, 2013, the County and the Florida Institute for Human and Machine Cognition, Inc., (IHMC) entered into an agreement whereby the County's LOST Fund committed to loan up to \$12 million to IHMC for paying off existing indebtedness and expansion of facilities in downtown Pensacola. During prior years IHMC borrowed \$11,994,700, and the remaining \$5,300 was utilized to pay debt service. On November 28, 2018, the County restructured the loan to an effective yield rate of 1.98%-3.25% payable to the County over the remaining 15 year period from the inception of the agreement. The principal balance owed at September 30, 2022 was \$4,985,000. IHMC is committed to making the following payments to the County under the payment plan:

	<u>Principal</u>	<u>Interest</u>	<u>IHMC Payment Schedule</u>
<u>Year</u>			
2023	\$ 745,000	\$ 249,250	\$ 994,250
2024	780,000	212,000	992,000
2025	810,000	173,000	983,000
2026	845,000	132,500	977,500
2027	885,000	90,250	975,250
2028	920,000	46,000	966,000
	<u>\$ 4,985,000</u>	<u>\$ 903,000</u>	<u>\$ 5,888,000</u>

NOTE 6 - LONG TERM LIABILITIES

A. Schedule of Changes in Long Term Liabilities

The County's outstanding long-term debt includes bonds payable, revenue notes payable, claims payable, compensated absences, other post employment benefits, net pension liability-proportionate share, claims and judgments, accrued landfill closure costs, and remediation costs.

The following is a schedule of changes in the County's long term liabilities for the fiscal year ended September 30, 2022:

	<u>Balance</u> <u>10/1/21</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>9/30/22</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Revenue bonds payable	\$ 109,215,000	\$ -	\$ (3,555,000)	\$ 105,660,000	\$ 3,715,000
Revenue notes payable	30,580,000	-	(2,230,000)	28,350,000	2,290,000
Bonds/notes payable	139,795,000	-	(5,785,000)	134,010,000	6,005,000
Unamortized Bond Issue Premium	13,291,891	-	(781,254)	12,510,637	-
Total bonds/notes payable	153,086,891	-	(6,566,254)	146,520,637	6,005,000
Claims payable	8,971,000	24,982,029	(25,318,029)	8,635,000	2,973,000
Lease payable	996,410	-	(264,354)	732,056	289,143
Compensated absences	28,737,581	17,781,595	(15,101,254)	31,417,922	3,141,792
Net other post employment benefits	18,333,402	1,676,121	-	20,009,523	-
Net pension liability *	77,333,207	130,430,913	-	207,764,120	-
Pollution remediation obligation	20,000	-	(20,000)	-	-
Governmental activities					
long-term liabilities	<u>\$ 287,478,491</u>	<u>\$ 174,870,658</u>	<u>\$ (47,269,891)</u>	<u>\$ 415,079,258</u>	<u>\$ 12,408,935</u>
Business-type Activities:					
Compensated absences	\$ 1,235,792	\$ 1,043,247	\$ (825,266)	\$ 1,453,773	\$ 145,377
Net other post employment benefits	801,305	307,564	-	1,108,869	-
Net pension liability*	5,608,688	13,135,755	-	18,744,443	-
Landfill closure costs	17,750,304	1,302,637	-	19,052,941	92,475
Business-type activities					
Long-term liabilities	<u>\$ 25,396,089</u>	<u>\$ 15,789,203</u>	<u>\$ (825,266)</u>	<u>\$ 40,360,026</u>	<u>\$ 237,852</u>

Compensated absences, other net post employment benefits, and net pension liability will be liquidated in future periods primarily by the General Fund.

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

B. Bonds and Notes Payable

The County has revenue bonds and revenue notes payable outstanding at year end. There are no lines of credit issued for the County. There are no significant, finance-related consequences, or subjective acceleration clauses contained in the County debt issues. The Sales Tax Refunding Revenue Note, Series 2012 is subject to mandatory prepayment at the option of the note holder on 10/1/2027, and thereafter. The County revenue bonds have been issued as public offerings. The County revenue notes are not issued directly to investors or lenders, but are issued through a financial intermediary; note terms are not directly negotiated by the County with the investor or lender. The County bonds and notes are not direct borrowing or direct placement debt. As of September 30, 2022, there are no business type-activity notes or bonds payable.

The following is a schedule of bonds and notes outstanding at September 30, 2022:

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>	<u>Final Maturity</u>
Governmental Activities:					
Revenue Bonds:					
Sales Tax Revenue Bonds,					
Series 2017	Capital Project	\$ 78,060,000	\$ 75,405,000	2%-5%	10/1/2047
Capital Improvement Refunding Revenue Bond					
Series 2018	Capital Project	\$ 41,545,000	<u>\$ 30,255,000</u>	5.000%	10/1/2031
Total Revenue Bonds			<u>105,660,000</u>		
Revenue Notes:					
Sales Tax Refunding Revenue Note					
Series 2012	Refunding	\$ 48,040,000	<u>\$ 28,350,000</u>	2.820%	10/1/2032
Total Revenue Notes			<u>28,350,000</u>		
Total Bonds & Notes Payable - Governmental Activities			<u>\$ 134,010,000</u>		

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

C. Pledged Revenues

Escambia County has pledged certain revenues to repay certain bonds and notes outstanding at September 30, 2022. There are no assets pledged as collateral for debt. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amount of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2022:

		Current Year Total	Pledged Outstanding Principal	Estimated Revenue Percentage Pledged	Principal & Interest Paid	Maturity Calendar Year
<u>Governmental Activities</u>	<u>Revenue Pledged</u>	<u>Revenue</u>	<u>& Interest</u>			
Revenue Bonds and Notes:						
Sales Tax Revenue Bond Series 2017	Half Cent Sales Tax	\$22,956,664	\$137,936,650	24.0%	\$ 4,198,450	2047
Capital Improvement Refunding Revenue Bond Series 2018	Non-Ad valorem	831,252	37,827,250	506%	4,641,750	2031
Sales Tax Refunding Revenue Note Series 2012	Half Cent Sales Tax	22,956,664	32,683,524	14.2%	3,104,333	2032
Total Revenue Bonds and Notes - Governmental Activities			<u>\$208,447,424</u>		<u>\$11,944,533</u>	

D. Leases

Although legally separate entities, the general funds of the Clerk, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector are included as a General Fund component of the County. The Tax Collector is a lessee for noncancellable leases of buildings and office space. As of September 30, 2022, the County's lease payable of \$732,056 was composed of the following:

Governmental Activities:	<u>Lease Payable</u>
Building and office space leases- annual payments totaling \$286,786 plus interest at rates ranging from 2.61% to 2.64%, due dates ranging from October 1, 2021 to September 1, 2025.	\$ 732,056
Total Government Activities Lease Payables	<u>\$ 732,056</u>
Business-Type Activities:	
No activity.	<u>\$ -</u>

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

The future principal and interest lease payments as of September 30, 2022, were as follows:

Governmental Activities:		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2023	289,143	15,107
2024	296,842	7,408
2025	146,071	1,241
2026	-	-
2027	-	-
	<u>\$ 732,056</u>	<u>\$ 23,756</u>

E. Compensated Absences

Compensated absences are accrued in proprietary funds at year end. The County does not accrue compensated absences in governmental funds; however, compensated absences paid in governmental funds are charged to the fund and function in which the employee was related and are reported as a liability on the governmental activities statement of net position. The following is a summary schedule of compensated absences as of September 30, 2022:

	<u>Balance</u> <u>10/1/21</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance</u> <u>9/30/22</u>
Governmental Activities:				
Board of County Commissioners	\$ 11,708,916	\$ 8,119,366	\$ (6,239,500)	\$ 13,588,782
Clerk	647,559	182,901	(155,558)	674,902
Property Appraiser	534,903	342,557	(305,467)	571,993
Supervisor of Elections	78,559	31,495	(34,855)	75,199
Sheriff	14,324,693	8,421,612	(7,548,766)	15,197,539
Tax Collector	431,408	430,547	(471,325)	390,630
Internal Service Fund - BCC	170,654	85,308	(80,136)	175,826
Internal Service Fund - Clerk	840,889	167,809	(265,647)	743,051
	<u>\$ 28,737,581</u>	<u>\$ 17,781,595</u>	<u>\$ (15,101,254)</u>	<u>\$ 31,417,922</u>
Business-type Activities:				
Solid Waste Fund	\$ 428,527	\$ 132,347	\$ (162,067)	\$ 398,807
Inspection Fund	330,174	168,856	(96,763)	402,267
Emergency Medical Service Fund	477,091	742,044	(566,436)	652,699
	<u>\$ 1,235,792</u>	<u>\$ 1,043,247</u>	<u>\$ (825,266)</u>	<u>\$ 1,453,773</u>

F. Other Post Employment Benefits (OPEB)

Other Post Employment Benefits (OPEB) are accrued in proprietary funds at year end. The County does not accrue OPEB in governmental funds; however, these benefits in governmental funds are charged to the fund and function in which the employee was related and are reported as a liability on the governmental activities statement of net position. The following is a summary schedule of OPEB as of September 30, 2022:

	Balance 10/1/21	Additions	(Reductions)	Balance 9/30/22
Governmental Activities:				
Governmental Activities	\$ 18,333,402	\$ 1,676,121	\$ -	\$ 20,009,523
	<u>\$ 18,333,402</u>	<u>\$ 1,676,121</u>	<u>\$ -</u>	<u>\$ 20,009,523</u>
Business-type Activities:				
Solid Waste Fund	\$ 179,964	\$ 11,991	\$ -	\$ 191,955
Emergency Medical Service Fund	488,084	255,632	-	743,716
Inspections Fund	<u>133,257</u>	<u>39,941</u>	<u>-</u>	<u>173,198</u>
	<u>\$ 801,305</u>	<u>\$ 307,564</u>	<u>\$ -</u>	<u>\$ 1,108,869</u>

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

G. Net Pension Liability (NPL)

The following is a summary schedule of the net pension liability as of September 30, 2022:

Net pension liability FRS

	Balance 10/1/21	Increase (Decrease)	Balance 9/30/22
Governmental Activities:			
Governmental Activities	\$ 35,641,728	\$ 135,314,208	\$ 170,955,936
	<u>\$ 35,641,728</u>	<u>\$ 135,314,208</u>	<u>\$ 170,955,936</u>
Business-type Activities:			
Solid Waste Fund	\$ 363,239	\$ 1,261,773	\$ 1,625,012
Inspections Fund	173,512	1,207,782	1,381,294
Emergency Medical Service Fund	1,484,888	11,157,999	12,642,887
	<u>\$ 2,021,639</u>	<u>\$ 13,627,554</u>	<u>\$ 15,649,193</u>
Total NPL FRS	<u>\$ 37,663,367</u>	<u>\$ 148,941,762</u>	<u>\$ 186,605,129</u>

Net pension liability HIS

	Balance 10/1/21	Increase (Decrease)	Balance 9/30/22
Governmental Activities:			
Governmental Activities	\$ 41,691,479	\$ (4,883,295)	\$ 36,808,184
	<u>\$ 41,691,479</u>	<u>\$ (4,883,295)</u>	<u>\$ 36,808,184</u>
Business-type Activities:			
Solid Waste Fund	\$ 440,954	\$ (45,536)	\$ 395,418
Inspections Fund	342,713	(43,587)	299,126
Emergency Medical Fund	2,803,382	(402,676)	2,400,706
	<u>\$ 3,587,049</u>	<u>\$ (491,799)</u>	<u>\$ 3,095,250</u>
Total NPL HIS	<u>\$ 45,278,528</u>	<u>\$ (5,375,094)</u>	<u>\$ 39,903,434</u>
Governmental Activities:	\$ 77,333,207	\$ 130,430,913	\$ 207,764,120
Business-type Activities:	5,608,688	13,135,755	18,744,443
Total NPL	<u>\$ 82,941,895</u>	<u>\$ 143,566,668</u>	<u>\$ 226,508,563</u>

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

H. Debt Service Requirements

The following schedule shows debt service requirements to maturity for the County's bonds payable and notes payable:

Governmental Activities:

Fiscal Year	Revenue Bonds Payable		Revenue Notes Payable		Total
	Principal	Interest	Principal	Interest	
2023	\$ 3,715,000	\$ 5,107,450	\$ 2,290,000	\$ 712,845	\$ 11,825,295
2024	3,875,000	4,921,700	2,355,000	657,059	11,808,759
2025	4,035,000	4,727,950	2,425,000	596,049	11,783,999
2026	4,225,000	4,526,200	2,490,000	535,074	11,776,274
2027	4,415,000	4,314,950	2,560,000	472,464	11,762,414
2028-2032	17,585,000	18,363,250	16,230,000	1,360,032	53,538,282
2033-2037	17,585,000	14,402,500	-	-	31,987,500
2038-2042	22,130,000	9,852,400	-	-	31,982,400
2043-2047	28,095,000	3,887,500	-	-	31,982,500
Total	\$ 105,660,000	\$70,103,900	\$ 28,350,000	\$ 4,333,523	\$ 208,447,423

The following schedule shows the minimum and maximum future principal installments:

Governmental Activities:

Annual Principal Installment Amounts

Revenue Bonds:

Sales Tax Revenue Bond, Series 2017 \$ 605,000 to \$ 6,180,000

Capital Improvement Refunding Revenue Bond, Series 2018 \$ 3,110,000 to \$ 3,830,000

Revenue Notes:

Sales Tax Refunding Revenue Note, Series 2012 \$ 2,290,000 to \$ 5,225,000

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

The following table sets forth the debt service requirements on the Bonds and other outstanding County indebtedness secured by a pledge of a portion of or a covenant to budget and appropriate Non-Ad Valorem Revenues for the Capital Improvement Revenue Refunding Bond, Series 2018:

Capital Improvement Revenue Refunding Bond, Series 2018					
Year	Principal	Interest	Total Debt Service	Outstanding Other Non-Ad Valorem Debt Service (1)	Total Non-Ad Valorem Debt Service
10/1/2023	\$ 3,110,000	\$ 1,512,750	\$ 4,622,750	\$ 7,202,545	\$ 11,825,295
10/1/2024	3,240,000	1,357,250	4,597,250	7,211,510	11,808,760
10/1/2025	3,370,000	1,195,250	4,565,250	7,218,749	11,783,999
10/1/2026	3,525,000	1,026,750	4,551,750	7,224,524	11,776,274
10/1/2027	3,680,000	850,500	4,530,500	7,231,914	11,762,414
10/1/2028	3,830,000	666,500	4,496,500	7,241,912	11,738,412
10/1/2029	3,035,000	475,000	3,510,000	7,251,039	10,761,039
10/1/2030	3,165,000	323,250	3,488,250	7,262,397	10,750,647
10/1/2031	3,300,000	165,000	3,465,000	7,269,744	10,734,744
10/1/2032	-	-	-	9,553,440	9,553,440
10/1/2033	-	-	-	6,394,950	6,394,950
10/1/2034	-	-	-	6,395,950	6,395,950
10/1/2035	-	-	-	6,398,950	6,398,950
10/1/2036	-	-	-	6,398,450	6,398,450
10/1/2037	-	-	-	6,399,200	6,399,200
10/1/2038	-	-	-	6,395,700	6,395,700
10/1/2039	-	-	-	6,398,300	6,398,300
10/1/2040	-	-	-	6,394,300	6,394,300
10/1/2041	-	-	-	6,394,800	6,394,800
10/1/2042	-	-	-	6,399,300	6,399,300
10/1/2043	-	-	-	6,397,050	6,397,050
10/1/2044	-	-	-	6,397,800	6,397,800
10/1/2045	-	-	-	6,395,800	6,395,800
10/1/2046	-	-	-	6,395,550	6,395,550
10/1/2047	-	-	-	6,396,300	6,396,300
Total	\$ 30,255,000	\$ 7,572,250	\$37,827,250	\$ 170,620,174	\$ 208,447,424

(1) Includes debt service on the County's Sales Tax Refunding Revenue Note, Series 2012 and Sales Tax Revenue Bonds, Series 2017.

I. Long-Term Debt – Bonds and Notes

The **Sales Tax Refunding Revenue Note, Series 2012** in the aggregate amount of \$48,040,000 was issued on August 1, 2012. The Note has a fixed interest rate of 2.820% and a maturity date of October 1, 2032. The proceeds of the 2012 Note refunded on a current basis the balance of the Sales Tax Revenue Refunding Bonds Series 2002. The 2012 Sales Tax Refunding Revenue Note was modified last April to lower the interest rate to 2.48% (from 2.82%) effective October 1, 2022. The modification also eliminated the mandatory prepayment option. The Bond is secured by certain pledged revenues consisting primarily of amounts received by the County as proceeds of the local Government Half-Cent Sales Tax.

The **Sales Tax Revenue Bond, Series 2017** for a par amount of \$78,060,000 and a net premium of \$10,682,424 was issued on June 22, 2017. The bonds have coupon rates ranging from 2% to 5%, with the yield ranging from .93% to 3.69% and a maturity date of October 1, 2047. The proceeds of this bond are reported in the 2017 Capital Projects fund and are being used for the construction of the new Jail Facility. The bond is secured by certain pledged revenues consisting of amounts received by the County as proceeds of the Local Government Half-Cent Sales Tax.

Bond compliance updates for the Sales Tax Revenue Bond, Series 2017 consist of:

- Historical sales tax revenue, which can be found in the Statistical Section (schedule 12).
- Pro forma debt service coverage from sales tax revenue, which can be in the Statistical Section (schedule 13)

The **Capital Improvement Refunding Revenue Bond, Series 2018** for a par amount of \$41,545,000 and a net premium of \$5,318,882 was issued on November 28, 2018. The bonds have an average coupon rate 5%, with a true interest cost of 2.978988% and a maturity date of October 1, 2031. The Bonds are secured by a covenant to budget and appropriate from legally available Non-Ad Valorem revenues, and will use the same source of pledged revenue as the refunded issues. The proceeds of this bond are reported in the debt service fund and used to current refund the following three issues:

- The Sales Tax Refunding Revenue Bond, Series 2011 which was issued in the aggregate amount of \$29,535,000 on October 21, 2011. The proceeds of this bond were used to advance refund a portion of the Sales Tax Revenue Refunding Bonds Series 2002. The Bond was secured by certain pledged revenues consisting primarily of amounts received by the County as proceeds of the Local Government Half-Cent Sales Tax.
- The Capital Improvement Refunding Revenue Bond, Series 2011 which was issued in the aggregate amount of \$19,345,000 on December 9, 2011. The proceeds of this 2011 Bond were used to advance refund all of the outstanding Capital Improvement Revenue Bonds Series 2002. The Bond was secured by a covenant to budget and appropriate from available Non-Ad Valorem revenues.
- The Capital Improvement Revenue Note, Series 2013 which was issued in the aggregate amount of \$12,000,000 on November 14, 2013. The proceeds of this note reimbursed the LOST fund for acquisition and construction of certain transportation and drainage related capital improvements of the County. The Note was secured by a covenant to budget and appropriate from legally available Non-Ad Valorem revenues.

Bond compliance updates for the Capital Improvement Refunding Revenue Bond, Series 2018 consist of:

- Historical Non-Ad Valorem Revenues, which can be found in the Statistical Section (schedule 14).
- Debt Service Requirements, which can be found in Note 6 of this financial statement.
- Compliance with Anti-Dilution Test, which can be found in the Statistical Section (schedule 15).

J. Conduit Debt Obligations

Conduit debt obligations have been established in the County's name by private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans and leases. Neither the County, nor the State, nor any political subdivision thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2022, the outstanding conduit debt of Escambia County is \$249,050,000.

K. Landfill Closure and Postclosure Care Liability

State and federal laws and regulations require the County to place a final cover on its landfill when closed and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The cost of closure and postclosure care is allocated based on landfill capacity used to date and the type of waste being collected. The Beulah, Klondike, Mobile Highway, and Camp Five landfills are closed. Perdido Landfill is the only currently open landfill. Perdido Landfill design life is 66 years and future landfill cells will provide disposal capacity through 2055.

As of September 30, 2022, Perdido Landfill's Class I capacity is at 50%, leaving an estimated life of thirty three (33) years remaining. The accrued cost for closure care and postclosure care as of September 30, 2022, is \$19,052,941. The remaining closure and postclosure costs to be recognized, based upon the current engineering estimates are \$23,086,919, and will be recognized as the remaining estimated capacity is used. All amounts recognized are based on an estimate by the County's engineers of the cost to perform all closure and postclosure care as of September 30, 2022. Actual costs may be different due to inflation, deflation, changes in technology, or changes in laws and regulations. The landfill is in the process of expansion to add additional capacity and useful life.

The County is required by state and federal laws and regulations to establish escrow accounts for closure and postclosure costs of the landfill. The County has complied with these requirements by depositing required amounts into a landfill management escrow account. Any balance in the account is reported as a restricted asset on the statement of net position of the Solid Waste Enterprise Fund. The restricted escrow balance as of September 30, 2022 is \$15,120,713.

Closure and Postclosure Care Liability:

	2022	2021
Current	\$ 92,475	\$ 74,969
Long-term	18,960,466	17,675,335
Total Liability	<u>\$ 19,052,941</u>	<u>\$ 17,750,304</u>

NOTE 7 - RISK MANAGEMENT PROGRAM

The County maintains a risk management program whereby the County is responsible for specific workers' compensation, general property and casualty, and auto liability claims. The risk management program is additionally responsible for active employee and retiree medical, prescription drug, and dental plans. The Santa Rosa Island Authority and Escambia County Law Library Board are also covered through the County's risk management program. The following are the types of risks and coverage:

Workers Compensation – The County is covered for workers' compensation claims through a policy with the Florida Municipal Insurance Trust. The County was self-insured for workers compensation claims prior to 2008. Coverage limits under the policy include statutory limits, as well as \$1,000,000 bodily injury for each accident and \$1,000,000 bodily injury by disease for each employee with an aggregate \$1,000,000 policy limit.

Casualty and Property – The County is self-insured for liability. Limits, unless immunity is waived, are \$200,000 per claim with a \$300,000 aggregate limit pursuant to Florida's Sovereign Immunity Statute § 768.28. Property limits are \$75 million for all risks including flood and wind with a \$25,000 deductible per occurrence.

Medical – The County offers medical and dental benefits to employees and retirees, under self-insured plans administered by Florida Blue and Delta Dental. Effective January 1, 2016 medical limits are self-insured for \$250,000 annually per covered individual, with annual \$1,000,000 aggregate stop loss coverage.

The County currently reports all of its risk management activities, including claims liabilities, in the Internal Service Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities on workers compensation, casualty and property claims prior to June 9, 2008 include an amount for claims that have been incurred but not reported (IBNR). The claims liabilities totaling \$8,635,000 reported in the Internal Service Fund at September 30, 2022 are actuarially determined based on historical and current information regarding the Fund. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

Changes in the estimated liability for self-insured losses for the past two years are as follows:

Workers compensation, casualty & property:

	2022	2021
Unpaid claims, beginning	\$ 6,920,000	\$ 6,647,000
Claims incurred and changes in estimates	2,105,435	1,314,043
Less: claims paid	(2,280,435)	(1,041,043)
Unpaid claims, ending	\$ 6,745,000	\$ 6,920,000
Estimated claims due within one year	(1,083,000)	(975,000)
Estimated claims due longer than one year	\$ 5,662,000	\$ 5,945,000

Medical:

	2022	2021
Unpaid claims, beginning	\$ 2,051,000	\$ 1,895,000
Changes in estimates	(161,000)	156,000
Claims incurred	22,876,594	28,109,120
Less: claims paid	(22,876,594)	(28,109,120)
Unpaid claims, ending	\$ 1,890,000	\$ 2,051,000
Estimated claims due within one year	(1,890,000)	(2,051,000)
Estimated claims due longer than one year	\$ -	\$ -

NOTE 8 - RETIREMENT SYSTEM

The County participates in the Florida Retirement System (FRS) which is a cost sharing multiple employer contributory retirement system administered by the State of Florida (State). The FRS was established in 1970 by Chapter 121, Florida Statutes. In 2002 the FRS was amended to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. Chapter 112, Florida Statutes established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple employer defined benefit pension plan to assist retired members of any state-administered retirement system in paying the cost of health insurance.

The State of Florida Retirement System issues a publicly available stand-alone financial report (CAFR) which includes financial statements and required supplementary information. Also available are the pension systems actuarial reports to support the schedules of employer allocations and schedules of pension amounts by employer. These reports are available on the division's website at:

http://www.dms.myflorida.com/workforce_operations/retirement/publications.

The CAFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Research and Education Section
P.O. Box 9000
Tallahassee, FL 32315-9000

850-488-5706 or toll free 844-377-1737

There are six classes of membership applicable to the County. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year prior to the normal retirement age.

- **Regular Class, Senior Management Service Class, and Elected Officers' Class Members** – For members initially enrolled in the FRS before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62. For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.
- **Special Risk Class and Special Risk Administrative Support Class Members** – For members initially enrolled in the FRS before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class. For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.
- **The Deferred Retirement Option Program (DROP)** is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months.

FRS Membership and Plan Benefits - The FRS Pension Plan provides retirement and disability benefits, death benefits and survivor's benefits. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Benefits are established by State Statutes. Retirement benefits are based on a formula comprised of age, average compensation, length of FRS service, and membership class. Average compensation is computed as the average of an individual's five highest years of earnings for employees hired before July 1, 2011 or eight highest years of earnings for employees hired on or after July 1, 2011. The amount of benefit payments is also affected by the retirement income option chosen by the plan participant.

Pension plan participants may choose to receive benefit in retirement under one of four options which will include a 3% cost-of-living adjustment each July (adjustments are only applicable for FRS service earned prior to July 1, 2011).

If a pension plan participant leaves FRS-covered employment, the pension plan benefit is frozen until the employee returns to FRS-covered employment or begins receiving early or normal retirement benefit.

HIS Membership and Plan Benefits - The HIS membership is available to all members within the FRS and defined contribution Investment Plan. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363 Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

Contribution Requirements -The County is required to contribute at an actuarially determined rate; these rates are a percent of annual covered payroll. Employees are required to contribute 3% of their annual salary, while members participating in DROP are not required to make the 3% contribution. The County's contractually required contribution rate includes the HIS contribution, .06% administrative and educational fee and any applicable unfunded actuarial liability "UAL" rates. The HIS required contribution rate is 1.66% for both the 2022 and 2021 FRS plan years. This contribution when combined with the employee contribution is expected to finance the cost of the benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Descriptions and contribution rates in effect during the period ended September 30, 2022 and two preceding FRS fiscal years are as follows:

	<u>07/01/22- 09/30/22</u>	<u>7/1/21- 6/30/22</u>	<u>7/1/20- 6/30/21</u>	<u>7/1/19- 6/30/20</u>
Regular Class - Members not qualifying for other classes:	11.91%	10.82%	10.00%	8.47%
Senior Management:	31.57%	29.01%	27.29%	25.41%
Elected Officials Class:	57.00%	51.42%	49.18%	48.82%
Deferred Retirement Option Program (DROP):	18.60%	18.34%	16.98%	14.60%
Special Risk Class - Members employed as law enforcement officers, firefighters, or correctional officers meet the criteria to qualify for this class:	27.83%	25.89%	24.45%	25.48%
Special Risk Administrative Support:	38.65%	37.76%	35.84%	38.59%

For the years ending September 30, 2022, 2021, 2020, the County contributed \$27,489,402, \$23,557,561, and \$22,349.074, respectively, equal to 100% of the required contributions for each year.

The Florida Legislature has the authority for establishing or amending retirement legislation and related bills of significance to members of the Florida Retirement System (FRS). Passed bills are presented to the Governor and approved before they may be enacted into law.

Net pension liability, deferred outflows/inflows of resources and pension expense related to the County defined benefit pension plan

At September 30, 2022, the County reported a liability of \$226,508,563 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The County's proportion of the net pension liability was based on the County's long-term share of contributions to the FRS relative to the contributions of all participating governments. At June 30, 2022, the County's change in proportion was increased from its proportion measured as of June 30, 2021.

The following table presents the information on the County's proportionate share of the FRS and HIS:

	<u>FRS</u>	<u>HIS</u>	<u>County Total</u>
Proportionate Share of Net Pension			
Liability at June 30, 2022	\$ 186,605,129	\$ 39,903,434	\$ 226,508,563
County's proportion at June 30, 2022	0.0050152	0.0037675	
County's proportion at June 30, 2021	0.0049860	0.0036912	
Change in proportion during current year	<u>0.0000292</u>	<u>0.0000762</u>	

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

For the fiscal year ended September 30, 2022, the County recognized pension expense of \$24,817,137.

At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS		County Total
	Deferred Outflow	Deferred Inflow	Deferred Outflow	Deferred Inflow	Deferred Outflow (Deferred Inflow)
Differences between expected and actual experience	\$ 8,862,666	\$ -	\$ 1,211,164	\$ 175,579	\$ 9,898,251
Changes in assumptions	22,981,202	-	2,287,291	6,173,036	19,095,457
Net difference between projected and actual earnings on pension plan investments	12,321,512	-	57,772	-	12,379,284
Changes in proportion and differences between County contributions and proportionate share of contributions	2,843,241	11,156,133	2,018,210	1,053,257	(7,347,939)
County contributions subsequent to the measurement date	6,530,893	-	657,388	-	7,188,281
	<u>\$ 53,539,514</u>	<u>\$ 11,156,133</u>	<u>\$ 6,231,825</u>	<u>\$ 7,401,872</u>	<u>\$ 41,213,334</u>

The \$7,188,281 reported as deferred outflows related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Reporting year			County Total
Ending Sept 30,	FRS	HIS	Deferred Outflow (Deferred Inflow)
2023	\$ (8,670,363)	\$ 437,639	\$ (8,232,724)
2024	(3,271,738)	235,997	(3,035,741)
2025	2,928,019	107,904	3,035,923
2026	(25,476,097)	238,846	(25,237,251)
2027	(1,362,309)	554,394	(807,915)
Thereafter	-	252,654	252,654
TOTALS	<u>\$ (35,852,488)</u>	<u>\$ 1,827,434</u>	<u>\$ (34,025,054)</u>

The total FRS pension liability as of the actuarial valuation date of July 1, 2022 was determined based on the discount rate using the following actuarial assumptions, applied to all periods included in the measurement. The total pension liability is calculated using the Individual Entry Age Normal cost allocation method, which differs from the Ultimate Entry Age Normal cost allocation method used in the funding valuation for the system.

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

FRS actuarial methods and assumptions are:

Valuation Date	7/1/2022
Measurement Date	6/30/2022
Actuarial cost allocation method	Individual Entry Age Normal
Amortization method	Level Percentage of Pay, Closed
Equivalent single amortization period	30 years
Asset valuation method	Fair market value
Actuarial Assumptions:	
Discount rate	6.70%
Long-term expected rate of return, net of investment expense, including inflation	6.70%
Municipal bond rate	N/A
Inflation	2.40%
Salary increases including inflation	3.25%

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

HIS actuarial methods and assumptions are:

Valuation Date	7/1/2022
Measurement Date	6/30/2022
Actuarial Assumptions:	
Discount rate	3.54%
Long-term expected rate of return, net of investment expense, including inflation	N/A
Municipal bond rate	3.54%
Inflation	2.40%
Salary increases including inflation	3.25%

Mortality rates were based on the PBU-2010 base table, projected generationally with scale MP-2018.

The actuarial assumptions that determined the total pension liability as of June 30, 2021 were based on the results of an actuarial experience study for the period of July 1, 2013 – June 30, 2018.

The discount rate used for calculating the total FRS pension liability was 6.7%. The FRS plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long term expected rate of return. The discount rate used for calculating the total HIS pension liability is equal to the single rate that results in the same actuarial present value as would be calculated by using two different discount rates for the discount at the long-term expected rate of return for benefit payments prior to the projected depletion of the fiduciary net pension (trust assets) and the discount at a municipal bond rate for benefit payments after the projected depletion date. The HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor.

The long term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

The target allocation and best estimates of arithmetic and geometric real rates of returns for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.6%	2.6%	1.1%
Fixed income	19.8%	4.4%	4.4%	3.2%
Global equity	54.0%	8.8%	7.3%	17.8%
Real estate	10.3%	7.4%	6.3%	15.7%
Private equity	11.1%	12.0%	8.9%	26.3%
Strategic investments	<u>3.8%</u>	6.2%	5.9%	7.8%
	100%			
Assumed Inflation - Mean			2.4%	1.3%

(1) As outlined in the Plan's investment policy

Sensitivity of the County's proportionate share of the pension liability to changes in the discount rate is calculated using the discount rate for the respective plans, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

FRS Net Pension Liability (Asset)			HIS Net Pension Liability (Asset)		
1% Decrease	Current Discount Rate	1% Increase	1% Decrease	Current Discount Rate	1% Increase
5.70%	6.70%	7.70%	2.54%	3.54%	4.54%
\$ 322,720,740	\$ 186,605,129	\$ 72,796,282	\$ 45,652,806	\$ 39,903,434	\$ 35,145,949

Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS financial report.

NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Other post employment benefits are provided by the County in the form of life and health insurance for pre-Medicare eligible retirees at the same rate as active participants. In health insurance plans where a government's retirees and current employees are insured together as a group, the premiums paid by the retirees may be lower than they would have been if the retirees were insured separately. This is called an *implicit rate subsidy*. Under this single-employer OPEB plan, benefit provisions are essentially the same for the Board of County Commissioners and all of the other Constitutional Officers, except for the Sheriff, who maintains a separate health insurance contract and therefore has different costs associated with the premium payments on behalf of the Sheriff's employees.

A stand-alone financial report is not prepared for the OPEB plan.

The County has the authority to establish and amend the OPEB funding policy, and is not required by law or other contractual agreement to provide funding for the implicit rate subsidy other than the pay-as-you-go amount necessary to provide current benefits for participants in its health insurance plan. Post-employment benefits are extended to retirees and continued at the discretion of the Employer, which reserves the right (subject to State Statutes and any collective bargaining agreements) to change or terminate benefits and to change premium contributions required from retirees in the future. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for this purpose. All approved benefits are paid from the Employer's general assets when due.

The County is required to recognize the net OPEB liability and the OPEB expense on its financial statements, along with the related deferred outflows and inflows of resources. The net OPEB liability is the difference between the total OPEB liability and the plan's fiduciary net position.

The following table provides a summary of the number of participants covered by the benefit terms as of the September 30, 2021 measurement date:

Active plan members	2,057
Inactive plan members or beneficiaries currently receiving benefits	1,459
Inactive plan members entitled to but not yet receiving benefits	<u>0</u>
Total plan members	3,516

Total OPEB Liability and Changes in OPEB Liability

The County's total OPEB liability of \$21,118,392 was determined by an actuarial valuation as of September 30, 2021, with a September 30, 2021 measurement date. These liabilities are used for the reporting date of September 30, 2022.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan operates on a pay-as-you-go basis.

The total OPEB liability for the September 30, 2022 reporting date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

Valuation Date: September 30, 2021
Measurement Date: September 30, 2021

Methods and Assumptions:

Actuarial cost method Entry Age Normal
Inflation 2.25%
Discount Rate 2.19%
Salary Increases Salary increase rates used in the July 1, 2021 actuarial valuation of the Florida Retirement System; 3.4%-7.8%, including inflation.

Retirement Age Retirement rates used in the July 1, 2021 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.

Mortality Mortality tables used in the July 1, 2021 actuarial valuation of the Florida Retirement System. These rates were taken from adjusted Pub-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018. They are based on the results of a statewide experience study covering the period 2013 through 2018.

Healthcare Cost Trend Rates Based on the Getzen Model, with trend starting at 6.00% (17.1% for premiums to reflect actual increase) for 2022 followed by 5.75% for 2023 and gradually decreasing to an ultimate trend rate of 3.75%.

Aging factors Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".

Expenses Administrative expenses are included in the per capita health costs.

Other information There were no benefit changes during the year. The following assumption changes have been reflected in the Schedule of Changes in the Total OPEB Liability for the measurement period ending September 30, 2021:
- Discount rate changed from 2.41% to 2.19%.
- Per capita costs and premiums were updated based on information provided.
- Long-term trend rates of healthcare cost increases were lowered from 3.99% to 3.75%.
- Updated salary scale based on the most recent FRS report.
- Updated coverage acceptance rate from 45% to 35% based on recent experience.

The discount rate Long-Term Municipal Bond Rate was based on the Fidelity General Obligation AA index rate as of September 30, 2021, the most recent date available on or before the measurement date. This is the rate for Fixed Income Market Yield Curve for Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's 20-year Municipal GO AA Index.

Mortality rates were based on the July 1, 2021 actuarial valuation of the Florida Retirement System. These rates were taken from adjusted PUB-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using scale MP-2018. These are based on the result of a statewide experience study covering the period 2013 through 2018.

There were no changes in benefit terms during the year.

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

Changes of assumptions and other inputs reflect a change in the discount rate from 2.41% in 2021 to 2.19% in 2022.

The following table shows the Changes the County's Total OPEB liability:

	Total OPEB Liability
Balance at 9/30/2021	<u>\$ 19,134,707</u>
Changes for the Year:	
Service Cost	820,872
Interest on Total OPEB liability	467,598
Changes of benefit terms	-
Difference between expected & actual experience	(723,345)
Changes in assumptions & other inputs	2,524,873
Benefit payments	<u>(1,106,313)</u>
Net changes	1,983,685
Balance at 9/30/2022	<u><u>\$ 21,118,392</u></u>

The County recognized OPEB expense of \$1,032,499 during the fiscal year. GASB Statement No. 75 states the employer contributions made made after the measurement date of the net pension/OPEB liability/collective net pension/OPEB liability but before the end of the employer's or governmental nonemployer contributing entity's reporting period will be recognized as a reduction of the net pension/OPEB liability or collective net pension/OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

Differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period. At the beginning of the current measurement period, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 8.1 years, with 7.8 years for Sheriff Employees.

The following table shows the County's total OPEB expense:

	Total
Service cost	\$ 820,872
Interest	467,598
Recognition of Outflow/(Inflow) of Resources due to Liabilities	<u>(255,971)</u>
Total OPEB Expense	<u>1,032,499</u>

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

Sensitivity of the total OPEB liability to changes in the discount rate is calculated using the discount rate for the plan. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower, or 1 percentage point higher than the current discount rate:

	1% decrease	Current Discount Rate	1% Increase
	1.19%	2.19%	3.19%
Total OPEB liability	\$ 23,174,392	\$ 21,118,392	\$ 19,318,249

Sensitivity of the total OPEB liability to changes in the healthcare cost rates is calculated using the assumed trend rates. The following represents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower, or 1 percentage point higher than the current healthcare cost trend rates.

	1% decrease	Current Healthcare Cost Trend Rate	1% Increase
	(5.00% decreasing to 2.75%)	(6.00% decreasing to 3.75%)	(7.00% decreasing to 4.75%)
Total OPEB liability	\$ 19,773,336	\$ 21,118,392	\$ 22,721,535

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow	Deferred Inflow	County Total Deferred Outflow (Deferred Inflow)
Differences between expected and actual experience	\$ 318,647	\$ 1,384,746	\$ (1,066,099)
Changes in assumptions and other inputs	2,416,699	1,344,253	1,072,446
Estimated benefits paid after the measurement date	1,194,853	-	1,194,853
	<u>\$ 3,930,199</u>	<u>\$ 2,728,999</u>	<u>\$ 1,201,200</u>

ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

Amounts reported as deferred outflows related to OPEB resulting from the County's benefits paid after the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Reporting year Ending Sept 30,	County Total Deferred Outflow (Deferred Inflow)
2023	\$ (255,971)
2024	(232,722)
2025	(161,618)
2026	(33,237)
2027	249,331
Thereafter	440,564
TOTALS	\$ 6,347

NOTE 10 – NET POSITION RESTRICTED FOR OTHER PURPOSES

Net position restricted for other purposes in the governmental-wide statement of net position at September 30, 2022 are as follows:

Court-Related	\$ 4,277,898
Culture & Recreation	3,126,245
Health	91,156
Resource Conservation	1,762,777
Records Modernization	5,815,624
Fire & Rescue	3,241,888
	\$ 18,315,588

NOTE 11 – TAX ABATEMENTS

Escambia County enters into property tax abatement agreements with local businesses under Section 196.1995, Florida Statutes, and Chapter 90, Article IV, Division 2, Sections 90-146 through 90-153, Escambia County Code of Ordinances. Escambia County is authorized to grant economic development ad valorem tax exemptions (EDATE) for new and expanding business established in the County meeting certain statutory requirements.

The County may grant an ad valorem tax exemption to eligible new businesses, or improvements to real property which additions are made to facilitate the expansion of an existing business for up to 100% of the assessed value of all improvements to real property made by or for the use of the new or expanded business and tangible personal property of such business for up to 10 years. There are no provisions for recapturing the abated taxes.

For fiscal year ended September 30, 2022, Escambia County abated property taxes totaling \$3,340,844 under this program including the following tax abatement agreements that each exceeded \$100,000 of the total amount abated:

- A 100% property tax abatement to a provider of financial services for business expansion, which Includes construction of office buildings, multi-level parking deck and central energy plant. The abatement amounted to \$2,889,080.

- A 100% property tax abatement to a new business located in an area designated enterprise zone. The abatement amounted to \$351,361.
- There are several smaller value EDATE agreements for new and expanded businesses, which range from a 23% to 100% property tax abatement. These cumulative abatements amounted to \$100,404.

NOTE 12 – COMMITMENTS AND CONTINGENCY

A. Litigation

The County is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of operations. Claims covered by the risk management self-insurance program are reviewed and losses are accrued as required in the judgment of management. The County is a defendant in various lawsuits. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of lawsuits and claims will not have a material adverse effect on the financial position of the County.

B. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. If expenditures are disallowed as a result of these audits, the claim for reimbursement to the grantor agency would become a liability of the County. 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 County.

C. Deficit Fund Equity

At September 30, 2022 the MSBU Assessment Program Special Revenue Fund, a non-major fund, has a deficit fund balance of \$3,424,520. The deficit is due to expenditures related to MSBU improvements. A portion of this deficit is funded by advances from the LOST Fund and will be repaid in the future from MSBU assessments.

NOTE 13 – CHANGE IN ACCOUNTING PRINCIPLE

In 2022, the County implemented GASB Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right-to-use and underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the County's 2022 financial statements but had no effect on the beginning net position of the General Fund since the deferred inflows equal the amount of the lease receivable.

NOTE 14 – UNEARNED REVENUE

At the end of the current fiscal year, approximately \$40 million of unearned revenue was related to advanced funding from the American Rescue Plan Act. The American Rescue Plan does not require the County to hold unspent funds in a separate bank account. The unspent money is not earned so it is not a component of net position at the fund or government wide level. Since the terms of the grants require the funds to be expended within a set number of years and unspent funds are not considered restricted assets of the government unit, the County does not consider presentation of the unspent monies as restricted assets necessary as of September 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

Other Post Employment Benefits:

- Schedule of changes in the County's total OPEB liability and related ratios

Retirement System Benefits:

- Schedule of the County's proportionate share of the net pension liability
- Schedule of the County's contributions



ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

Total OPEB liability	2022	2021	2020
Service cost	\$ 820,872	\$ 769,681	\$ 935,763
Interest	467,598	518,387	792,241
Changes of benefit terms	-	-	-
Difference between expected & actual experience	(723,345)	-	(743,090)
Changes in assumptions & other inputs	2,524,873	290,584	(1,558,334)
Benefit payments	(1,106,313)	(1,049,397)	(1,141,018)
Net change in total OPEB liability	1,983,685	529,255	(1,714,438)
Total OPEB liability - Beginning	19,134,707	18,605,452	20,319,890
Total OPEB liability - Ending	<u>\$ 21,118,392</u>	<u>\$ 19,134,707</u>	<u>\$ 18,605,452</u>
Covered-Employee payroll	\$ 135,630,382	\$ 131,230,852	\$ 129,546,501
Total OPEB liability as a percentage of covered-Employee Payroll	15.57%	14.58%	14.36%

Continued on next page

<p>*This Schedule is presented to illustrate the requirement to show information for 10 years. However until a full 10-year trend is compiled, governments should present information for those years which information is available. There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for OPEB.</p>
--

2019	2018
\$ 953,064	\$ 984,332
725,595	647,293
-	-
-	-
(600,829)	(743,489)
(1,072,304)	(939,695)
5,526	(51,559)
20,314,364	20,365,923
\$ 20,319,890	\$ 20,314,364
\$ 125,844,115	\$ 116,565,931
16.15%	17.43%

ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Last 10 Fiscal Years*

Florida Retirement System (FRS)	2022	2021	2020
County's proportion of the net pension liability (asset)	0.50151835%	0.49859737%	0.53815134%
County's proportion of the net pension liability (asset)	\$ 186,605,129	\$ 37,663,367	\$ 233,242,720
County's covered payroll	\$ 103,213,796	\$ 97,757,866	\$ 96,531,697
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	182.87%	38.53%	241.62%
FRS plan fiduciary net position as a percentage of the total pension liability	96.20%	96.40%	78.85%

Health Insurance Subsidy (HIS)	2022	2021	2020
County's proportion of the net pension liability (asset)	0.376746150%	0.369123350%	0.364231506%
County's proportion of the net pension liability (asset)	\$ 39,903,435	\$ 45,278,528	\$ 44,472,074
County's covered payroll	\$ 137,327,169	\$ 129,638,946	\$ 126,114,789
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	29.06%	34.93%	35.26%
FRS plan fiduciary net position as a percentage of the total pension liability	3.54%	3.56%	3.00%

* The amounts presented for each fiscal year were determined as of June 30.

This schedule is presented to illustrate the requirement to show information for 10 years. However until a full 10-year trend is compiled, governments should present information for those years which information is available.

Continued on next page

2019	2018	2017	2016	2015	2014
0.54913427%	0.53661345%	0.55334444%	0.539069213%	0.491069200%	0.478135639%
\$ 189,114,199	\$ 161,630,752	\$ 163,675,571	\$ 136,115,399	\$ 63,428,173	\$ 29,173,305
\$ 96,494,359	\$ 91,955,109	\$ 90,995,678	\$ 86,066,707	\$ 82,216,864	\$ 83,923,116
195.98%	175.77%	179.87%	158.15%	77.15%	34.76%
82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

2019	2018	2017	2016	2015	2014
0.374098816%	0.368148238%	0.368148238%	0.360521192%	0.352411204%	0.341734437%
\$ 41,857,914	\$ 38,596,879	\$ 39,364,108	\$ 42,017,251	\$ 35,940,399	\$ 31,953,004
\$ 123,638,645	\$ 118,692,154	\$ 115,857,560	\$ 111,319,337	\$ 100,474,785	\$ 96,394,207
33.86%	32.52%	33.98%	37.74%	35.77%	33.15%
2.15%	2.15%	1.64%	0.97%	0.50%	0.99%

ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
Last 10 Fiscal Years*

Florida Retirement System (FRS)	2022	2021	2020
Contractually required contribution	\$ 21,400,700	\$ 18,994,406	\$ 17,880,384
Contributions in relation to the contractually required contribution	(21,400,700)	(18,994,406)	(17,880,384)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 110,162,197	\$ 97,530,696	\$ 96,505,283

Contributions as a percentage of covered payroll	19.43%	19.48%	18.53%
--	--------	--------	--------

Health Insurance Subsidy (HIS)	2022	2021	2020
Contractually required contribution	\$ 2,279,631	\$ 2,169,710	\$ 2,098,896
Contributions in relation to the contractually required contribution	(2,279,631)	(2,169,710)	(2,098,896)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 137,327,169	\$ 130,705,422	\$ 126,439,518

Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%
--	-------	-------	-------

* The amounts presented for each fiscal year were determined as of September 30.

This schedule is presented to illustrate the requirement to show information for 10 years. However until a full 10-year trend is compiled, governments should present information for those years which information is available.

Continued on next page

2019	2018	2017	2016	2015	2014
\$ 17,027,125	\$ 15,293,052	\$ 14,404,918	\$ 13,146,062	\$ 11,972,684	\$ 10,473,200
(17,027,125)	(15,293,052)	(14,404,918)	(13,146,062)	(11,972,684)	\$ (10,473,200)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 96,839,713	\$ 93,514,918	\$ 89,221,118	\$ 87,227,854	\$ 87,179,508	\$ 86,379,678
17.58%	16.35%	16.15%	15.07%	13.73%	12.12%

2019	2018	2017	2016	2015	2014
\$ 2,077,334	\$ 1,977,604	\$ 1,948,347	\$ 1,847,901	\$ 1,347,135	\$ 1,170,667
(2,077,334)	(1,977,604)	(1,948,347)	(1,847,901)	(1,347,135)	\$ (1,170,667)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 125,140,602	\$ 119,132,771	\$ 117,370,301	\$ 103,777,681	\$ 103,414,127	\$ 97,555,583
1.66%	1.66%	1.66%	1.78%	1.30%	1.20%

ESCAMBIA COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The following changes in actuarial assumptions occurred in 2022:

PENSION RELATED NOTES TO SCHEDULE:

FRS: The Mortality assumption used is the PUB-2010 base table projected generationally with Scale MP-2018. The inflation rate assumption remained at 2.40%. Payroll growth, including inflation remained at 3.25%. The long-term expected rate of return decreased to 6.7%.

HIS: The municipal rate used to determine total pension liability was increased from 2.16% to 3.54%.

OPEB RELATED NOTES TO SCHEDULE:

Changes of Benefit Terms. There were no benefit changes during the year.

Changes in Assumptions. Changes in assumptions and other inputs include the change in the discount rate from 2.41% to 2.19% as of September 30, 2022. The following are the discount rates used in each period:

2022	2.19%
2021	2.41%
2020	2.75%
2019	3.83%
2018	3.50%
2017	3.10%

Healthcare Cost Trend Rates. Based on the Getzen Model, with trending starting at 6.00% (17.1% for premiums to reflect actual increase) and gradually decreasing to an ultimate trend rate of 3.75%.



THIS PAGE HAS BEEN LEFT BLANK

OTHER SUPPLEMENTARY INFORMATION

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION SALES TAX FUND
For the Year Ended September 30, 2022

	Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
REVENUES			
Taxes	\$ 49,644,150	\$ 67,902,365	\$ 18,258,215
Intergovernmental Revenues	17,074,648	2,639,677	(14,434,971)
Charges for Services	171,000	225,733	54,733
Investment Gain (Loss)	-	(526,468)	(526,468)
Miscellaneous Revenues	174,565	2,467,304	2,292,739
Total Revenues	<u>67,064,363</u>	<u>72,708,611</u>	<u>5,644,248</u>
EXPENDITURES			
Current:			
General Government	5,947,454	2,042,459	3,904,995
Physical Environment	274,497	145,651	128,846
Transportation	1,558,635	1,523,764	34,871
Economic Environment	4,653,591	2,135,363	2,518,228
Human Services	867,802	186,961	680,841
Culture/Recreation	2,551,291	1,819,207	732,084
Capital Outlay	179,787,920	28,356,209	151,431,711
Total Expenditures	<u>195,641,190</u>	<u>36,209,614</u>	<u>159,431,576</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(128,576,827)</u>	<u>36,498,997</u>	<u>165,075,824</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(5,839,301)	(5,839,301)	-
Total Other Financing Sources and (Uses)	<u>(5,839,301)</u>	<u>(5,839,301)</u>	<u>-</u>
Net Change in Fund Balance	(134,416,128)	30,659,696	165,075,824
Fund Balance - Beginning	<u>134,416,128</u>	<u>143,041,441</u>	<u>8,625,313</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 173,701,137</u>	<u>\$ 173,701,137</u>

GOVERNMENTAL FUNDS

GENERAL FUND

The *General Fund* is the government's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund includes the Board of County Commissioners, Clerk of Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector:

Board of County Commissioners

This fund is the primary operating fund of Escambia County. It is used to account for all financial resources of the general government except those required to be accounted for in other funds.

Clerk of the Circuit Court and Comptroller

This fund reflects the activities of the Office of the Clerk of Circuit Court. Services provided are in accordance with provisions of the Florida Statutes related primarily to the county and circuit court systems, recording operations, and various other services.

Property Appraiser

This fund reflects the operations of the Office of the Property Appraiser who provides independent appraisals of tangible and personal property for all taxing authorities within the County.

Sheriff

This fund reflects the operations of the Office of the Sheriff. Services provided are for all the law enforcement activities within the County.

Supervisor of Elections

This fund reflects the operations of the Office of the Supervisor of Elections in the performance of its duties in accordance with Florida Statutes.

Tax Collector

This fund reflects the operations of the Office of the Tax Collector who collects and remits ad valorem taxes, licenses, and other revenues, to the related taxing authorities.



ESCAMBIA COUNTY, FLORIDA
COMBINING BALANCE SHEET
GENERAL FUND BY CATEGORY
September 30, 2022

	Board Of County Commissioners	Clerk of the Circuit Court and Comptroller	Property Appraiser
ASSETS			
Cash and Cash Equivalents	\$ 52,296,662	\$ 5,127,656	\$ 616,996
Investments	19,422,239	-	-
Accounts Receivable	1,290,401	674	-
Accrued Interest Receivable	305,957	-	-
Due from Other Funds	2,683,191	-	-
Advances Receivable from Other Funds	5,481,504	-	-
Due from Other Governments	3,843,964	30,391	-
Inventories	425,221	-	-
Other Assets	6,023,056	-	-
Total Assets	\$ 91,772,195	\$ 5,158,721	\$ 616,996
LIABILITIES			
Accounts Payable	\$ 2,809,137	\$ 204,361	\$ 35,730
Contracts Payable	13,516	2,666	-
Accrued Liabilities	4,391,845	179,216	106,021
Due to Other Funds	89,315	1,815,979	474,235
Due to Other Governments	231,572	2,591,486	1,010
Deposits	246,501	-	-
Unearned Revenue	291,511	-	-
Other Current Liabilities	-	365,013	-
Total Liabilities	8,073,397	5,158,721	616,996
DEFERRED INFLOWS OF RESOURCES			
Leases	5,891,931	-	-
Total Deferred Inflow of Resources	5,891,931	-	-
FUND BALANCES			
Nonspendable:			
Inventories	425,221	-	-
Assigned to:			
Subsequent Year's Budget	51,670,971	-	-
Unassigned	25,710,675	-	-
Total Fund Balances	77,806,867	-	-
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 91,772,195	\$ 5,158,721	\$ 616,996

Sheriff	Supervisor of Elections	Tax Collector	Eliminations	Total General Funds
\$ 2,072,363	\$ -	\$ 1,367,826	\$ -	\$ 61,481,503
-	-	-	-	19,422,239
-	-	-	-	1,291,075
193,059	-	-	-	305,957
-	-	-	(2,674,751)	201,499
309,213	145,253	52	-	5,481,504
509,546	-	-	-	4,328,873
-	-	-	-	934,767
-	-	-	-	6,023,056
<u>\$ 3,084,181</u>	<u>\$ 145,253</u>	<u>\$ 1,367,878</u>	<u>\$ (2,674,751)</u>	<u>\$ 99,470,473</u>
\$ 111,510	\$ 111,086	\$ 309,775	\$ -	\$ 3,581,599
-	-	-	-	16,182
2,283,267	34,113	112,126	-	7,106,588
179,858	-	760,034	(2,674,751)	644,670
-	54	1,734	-	2,825,856
-	-	-	-	246,501
-	-	184,209	-	475,720
-	-	-	-	365,013
<u>2,574,635</u>	<u>145,253</u>	<u>1,367,878</u>	<u>(2,674,751)</u>	<u>15,262,129</u>
-	-	-	-	5,891,931
-	-	-	-	5,891,931
509,546	-	-	-	934,767
-	-	-	-	51,670,971
-	-	-	-	25,710,675
<u>509,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,316,413</u>
<u>\$ 3,084,181</u>	<u>\$ 145,253</u>	<u>\$ 1,367,878</u>	<u>\$ (2,674,751)</u>	<u>\$ 99,470,473</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GENERAL FUND BY CATEGORY
For the Year Ended September 30, 2022

	Board Of County Commissioners	Clerk of the Circuit Court and Comptroller	Property Appraiser
REVENUES			
Taxes	\$ 142,051,088	\$ -	\$ -
Franchise Fees	14,339,162	-	-
Special Assessments	906,307	-	-
Intergovernmental Revenues	49,554,755	454,116	-
Charges for Services	3,065,496	7,000,717	15,363
Judgments and Fines	55,808	1,627,316	-
Investment Gain (Loss)	(1,190,143)	465,006	-
Miscellaneous Revenues	5,361,286	264,458	2,175
Total Revenues	214,143,759	9,811,613	17,538
EXPENDITURES			
Current:			
General Government	45,925,201	5,342,198	6,428,984
Public Safety	55,338,182	-	-
Physical Environment	1,970,652	-	-
Transportation	2,975,949	-	-
Human Services	4,494,816	-	-
Culture/Recreation	1,838,257	-	-
Court-Related	-	7,225,233	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	112,543,057	12,567,431	6,428,984
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,600,702	(2,755,818)	(6,411,446)
OTHER FINANCING SOURCES (USES)			
Transfers In	7,135,995	3,528,695	6,885,681
Transfers (Out)	(111,946,714)	(1,392,291)	(474,235)
Total Other Financing Sources and (Uses)	(104,810,719)	2,136,404	6,411,446
Net Change in Fund Balances	(3,210,017)	(619,414)	-
Fund Balances - Beginning	81,016,884	619,414	-
Fund Balances - Ending	\$ 77,806,867	\$ -	\$ -

Sheriff	Supervisor of Elections	Tax Collector	Eliminations	Total General Fund
\$ -	\$ -	\$ -	\$ -	\$ 142,051,088
-	-	-	-	14,339,162
-	-	-	-	906,307
-	-	-	-	50,008,871
-	10,629	3,834,999	-	13,927,204
-	-	-	-	1,683,124
-	-	-	-	(725,137)
-	-	119,823	(3,537,166)	2,210,576
-	10,629	3,954,822	(3,537,166)	224,401,195
-	2,374,180	8,569,523	(3,823,952)	64,816,134
72,903,225	-	-	-	128,241,407
-	-	-	-	1,970,652
-	-	-	-	2,975,949
-	-	-	-	4,494,816
-	-	-	-	1,838,257
-	-	-	-	7,225,233
-	-	-	264,354	264,354
-	-	-	22,432	22,432
72,903,225	2,374,180	8,569,523	(3,537,166)	211,849,234
(72,903,225)	(2,363,551)	(4,614,701)	-	12,551,961
72,888,935	2,363,551	5,374,735	(93,682,520)	4,495,072
(14,362)	-	(760,034)	93,682,520	(20,905,116)
72,874,573	2,363,551	4,614,701	-	(16,410,044)
(28,652)	-	-	-	(3,858,083)
538,198	-	-	-	82,174,496
\$ 509,546	\$ -	\$ -	\$ -	\$ 78,316,413

ESCAMBIA COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended September 30, 2022

	Board Of County Commissioners		
	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes	\$ 142,335,556	\$ 142,335,556	\$ 142,051,088
Franchise Fees	12,511,595	12,511,595	14,339,162
Special Assessments	864,500	864,500	906,307
Intergovernmental Revenues	33,760,816	34,091,622	49,617,546
Charges for Services	3,399,291	3,434,840	3,065,496
Judgments and Fines	123,500	123,500	55,808
Investment Gain (Loss)	-	-	(1,190,143)
Miscellaneous Revenues	4,491,376	4,993,740	5,298,495
Total Revenues	197,486,634	198,355,353	214,143,759
EXPENDITURES			
Current:			
General Government	53,497,303	74,909,771	45,925,201
Public Safety	58,746,365	60,802,189	55,338,182
Physical Environment	1,900,214	4,865,755	1,970,652
Transportation	3,037,016	3,097,951	2,975,949
Human Services	4,819,250	24,375,074	4,494,816
Culture/Recreation	1,712,342	1,812,405	1,838,257
Court-Related	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	123,712,490	169,863,145	112,543,057
Excess (Deficiency) of Revenues Over (Under) Expenditures	73,774,144	28,492,208	101,600,702
OTHER FINANCING SOURCES (USES)			
Transfers In	2,163,436	4,495,072	7,135,995
Transfers (Out)	(116,542,301)	(114,155,431)	(111,946,714)
Total Other Financing Sources and (Uses)	(114,378,865)	(109,660,359)	(104,810,719)
Net Change in Fund Balances	(40,604,721)	(81,168,151)	(3,210,017)
Fund Balances - Beginning	40,604,721	81,168,151	81,016,884
Fund Balances - Ending	\$ -	\$ -	\$ 77,806,867

Continued

Clerk of the Circuit Court and Comptroller

Original Budget	Final Budget	Actual Amounts
\$ -	\$ -	\$ -
-	-	-
-	-	-
342,906	342,906	454,116
6,425,734	6,425,734	7,000,717
1,705,000	1,705,000	1,627,316
390,100	390,100	465,006
270,477	270,477	264,458
<u>9,134,217</u>	<u>9,134,217</u>	<u>9,811,613</u>
5,273,949	5,273,949	5,342,198
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
7,388,963	7,388,963	7,225,233
-	-	-
-	-	-
<u>12,662,912</u>	<u>12,662,912</u>	<u>12,567,431</u>
<u>(3,528,695)</u>	<u>(3,528,695)</u>	<u>(2,755,818)</u>
3,528,695	3,596,520	3,528,695
-	-	(1,392,291)
<u>3,528,695</u>	<u>3,596,520</u>	<u>2,136,404</u>
-	67,825	(619,414)
-	(67,825)	619,414
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Property Appraiser

Original Budget	Final Budget	Actual Amounts
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	15,363
-	-	-
-	-	-
-	-	2,175
<u>-</u>	<u>-</u>	<u>17,538</u>
6,898,390	6,900,339	6,428,984
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>6,898,390</u>	<u>6,900,339</u>	<u>6,428,984</u>
<u>(6,898,390)</u>	<u>(6,900,339)</u>	<u>(6,411,446)</u>
6,898,390	6,900,339	6,885,681
-	-	(474,235)
<u>6,898,390</u>	<u>6,900,339</u>	<u>6,411,446</u>
-	-	-
-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -Continued
GENERAL FUND

For the Year Ended September 30, 2022

	Sheriff		
	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes	\$ -	\$ -	\$ -
Franchise Fees	-	-	-
Special Assessments	-	-	-
Intergovernmental Revenues	-	-	-
Charges for Services	-	-	-
Judgments and Fines	-	-	-
Investment Gain (Loss)	-	-	-
Miscellaneous Revenues	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	71,814,081	72,888,935	72,903,225
Physical Environment	-	-	-
Transportation	-	-	-
Human Services	-	-	-
Culture/Recreation	-	-	-
Court-Related	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	71,814,081	72,888,935	72,903,225
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,814,081)	(72,888,935)	(72,903,225)
OTHER FINANCING SOURCES (USES)			
Transfers In	71,814,081	72,888,935	72,888,935
Transfers (Out)	-	-	(14,362)
Total Other Financing Sources and (Uses)	71,814,081	72,888,935	72,874,573
Net Change in Fund Balances	-	-	(28,652)
Fund Balances - Beginning	-	-	538,198
Fund Balances - Ending	\$ -	\$ -	\$ 509,546

Continued

Supervisor of Elections			Tax Collector		
Original Budget	Final Budget	Actual Amounts	Original Budget	Final Budget	Actual Amounts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	10,629	3,810,585	3,810,585	3,834,999
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	110,500	110,500	119,823
-	-	10,629	3,921,085	3,921,085	3,954,822
2,762,760	2,780,915	2,374,180	9,170,430	9,170,430	8,569,523
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,762,760	2,780,915	2,374,180	9,170,430	9,170,430	8,569,523
(2,762,760)	(2,780,915)	(2,363,551)	(5,249,345)	(5,249,345)	(4,614,701)
2,762,760	2,780,915	2,363,551	5,374,735	5,374,735	5,374,735
-	-	-	(125,390)	(125,390)	(760,034)
2,762,760	2,780,915	2,363,551	5,249,345	5,249,345	4,614,701
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ESCAMBIA COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - Continued
GENERAL FUND

For the Year Ended September 30, 2022

	Eliminations		
	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes	\$ -	\$ -	\$ -
Franchise Fees	-	-	-
Special Assessments	-	-	-
Intergovernmental Revenues	-	-	-
Charges for Services	-	-	-
Judgments and Fines	-	-	-
Investment Gain (Loss)	-	-	-
Miscellaneous Revenues	(3,537,166)	(3,537,166)	(3,537,166)
Total Revenues	(3,537,166)	(3,537,166)	(3,537,166)
EXPENDITURES			
Current:			
General Government	(3,823,952)	(3,823,952)	(3,823,952)
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Human Services	-	-	-
Culture/Recreation	-	-	-
Court-Related	-	-	-
Debt Service:			
Principal Retirement	-	-	264,354
Interest and Fiscal Charges	-	-	22,432
Total Expenditures	(3,823,952)	(3,823,952)	(3,537,166)
Excess (Deficiency) of Revenues Over (Under) Expenditures	286,786	286,786	-
OTHER FINANCING SOURCES (USES)			
Transfers In	(90,378,661)	(93,682,520)	(93,682,520)
Transfers (Out)	90,378,661	93,682,520	93,682,520
Total Other Financing Sources and (Uses)	-	-	-
Net Change in Fund Balances	286,786	286,786	-
Fund Balances - Beginning	(286,786)	(286,786)	-
Fund Balances - Ending	\$ -	\$ -	\$ -

TOTAL

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
\$ 142,335,556	\$ 142,335,556	\$ 142,051,088	\$ (284,468)
12,511,595	12,511,595	14,339,162	1,827,567
864,500	864,500	906,307	41,807
34,103,722	34,434,528	50,071,662	15,637,134
13,635,610	13,671,159	13,927,204	256,045
1,828,500	1,828,500	1,683,124	(145,376)
390,100	390,100	(725,137)	(1,115,237)
1,335,187	1,837,551	2,147,785	310,234
<u>207,004,770</u>	<u>207,873,489</u>	<u>224,401,195</u>	<u>16,527,706</u>
73,778,880	95,211,452	64,816,134	30,395,318
130,560,446	133,691,124	128,241,407	5,449,717
1,900,214	4,865,755	1,970,652	2,895,103
3,037,016	3,097,951	2,975,949	122,002
4,819,250	24,375,074	4,494,816	19,880,258
1,712,342	1,812,405	1,838,257	(25,852)
7,388,963	7,388,963	7,225,233	163,730
-	-	264,354	(264,354)
-	-	22,432	(22,432)
<u>223,197,111</u>	<u>270,442,724</u>	<u>211,849,234</u>	<u>58,593,490</u>
<u>(16,192,341)</u>	<u>(62,569,235)</u>	<u>12,551,961</u>	<u>75,121,196</u>
2,163,436	2,353,996	4,495,072	2,141,076
<u>(26,289,030)</u>	<u>(20,598,301)</u>	<u>(20,905,116)</u>	<u>(306,815)</u>
<u>(24,125,594)</u>	<u>(18,244,305)</u>	<u>(16,410,044)</u>	<u>1,834,261</u>
<u>(40,317,935)</u>	<u>(80,813,540)</u>	<u>(3,858,083)</u>	<u>76,955,457</u>
<u>40,317,935</u>	<u>80,813,540</u>	<u>82,174,496</u>	<u>1,360,956</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,316,413</u>	<u>\$ 78,316,413</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The County has the following Special Revenue Funds:

Escambia County Restricted Fund

Created to account for monies donated to the County for a specific purpose.

Economic Development Fund

Created pursuant to the Economic Development Incentive Program Ordinance to account for revenues associated with land sales at the various County commerce parks and other economic development related revenues. Expenditures will be used to promote economic development initiatives in Escambia County.

Code Enforcement Fund

Created to account for the enforcement of ordinances and statutes to enhance the quality of life for and protect citizens from environmentally unsafe conditions.

Mass Transit Fund

Created to account for the operations and maintenance of the Escambia County Area Transit System. The 1 to 5 Cents Local Option Fuel Tax (4 cents levied) is used to fund public transportation operations and maintenance pursuant to Sections 203 and 336, Florida Statutes. Funding is also by Federal Transit Administration operating grants, FTA apportioned Coronavirus Aid, Relief and Economic Security (CARES) act grants, user fees and reimbursements for non-transit activities. The Mass Transit Fund was a fund of the County until 2018, when Ordinance No. 2018-8 established the Escambia County Area Transit Authority. However, subsequent to the fiscal year ended 2019, the Board of County Commissioners adopted Ordinance 2019-28, repealing the ordinance establishing the Transit Authority.

M and A State Revenue Fund

Created to account for the cost of mosquito and other arthropod control. Financing is provided by State matching funds on a dollar for dollar basis.

Local Provider Plan Fund

Created to account for monies collected for Non-Ad Valorem special assessments on hospitals established by Ordinance 2021-20 and section 1(f). Article VIII of the Constitution of the State of Florida and Chapter 125 Florida Statutes. Funding raised by the County assessment will support through intergovernmental transfers (IGTs) will support additional funding for Medicaid payments to hospitals.

Tourist Promotion Fund

Created to account for revenues restricted for promotion, development and advertisement of Escambia County tourism. Financing is provided by a tourist development tax levied under Chapter 125.0104 Florida Statutes.

Other Grant Projects Fund

Created to account for financing provided from various State and Federal grants.

Detention/Jail Commissary Fund

Created to account for the cost of the inmate commissary and the inmate welfare fund; operated in the detention facility pursuant to Section 951.23, Florida Statutes. The fiscal management of the commissary is audited in conjunction with the audit of the County.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS - Continued

Library Fund

Created to account for the revenue and expenditures associated with administrative and operational functions of the West Florida Library System. A countywide Library MSTU assessment is imposed for the purpose of funding library services.

Misdemeanor Probation Fund

Created to account for the cost of supervision of the misdemeanor program. Financing is provided by a fee charged to a person on parole pursuant to Section 945.31, Florida Statutes.

Article V Fund

Created to account for revenues and costs for court related fees, charges, costs, fines and other monetary penalties.

Development Review Fund

Created to account for fees generated by the review of all development plans within the County and support of the Development Review Committee, the Planning Board, the Board of Adjustments, the Rezoning Hearing Examiner and the Board of County Commissioners.

Perdido Key Beach Mouse Fund

Created to account for the Perdido Key Beach Mouse Special Assessment revenue established by Ordinance 2006-1 and 2006-2 and by interlocal agreement with the US Fish and Wildlife Service and the Florida Fish and Wildlife Commission. This revenue will be utilized for the mitigation process for impacts to the Perdido Key Beach Mouse habitat.

RESTORE Fund

Created in accordance with the Resources and Ecosystem Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act; Subtitle F of Public Law 112-141); to account for revenues and expenditures for programs, projects and activities that restore and protect the environment and economy of the Gulf Coast Region.

State Housing Initiative Partnership Fund (SHIP)

Created to account for the revenues and expenditures of the SHIP program, authorized pursuant to Section 420.907-420.9079, Florida Statutes. State revenue sharing proceeds received by the County for the SHIP program are used to create partnerships that produce and preserve affordable homeownership and multifamily housing.

Law Enforcement Trust Fund

Created pursuant to the provisions of Section 932.704, Florida Statutes, to account for the net proceeds from the sale or conversion of forfeited properties. Expenditures payable from this fund are legally restricted to nonrecurring obligations of the Sheriff's office, including equipment purchases. Although legally entitled as a trust fund, this fund is more properly accounted for as a special revenue fund due to the nature of the transactions recorded therein.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS - Continued

Escambia County Affordable Housing Fund

Created to account for funding to assist with delivery of affordable housing assistance and support for low income families in Escambia County and the City of Pensacola, primarily in conjunction with the Escambia Consortium Home Program. The fund also provides a source for payment of up-front costs while awaiting reimbursement from the HOME program letter of credit.

CDBG HUD Entitlement Fund

Created to account for Federal HUD Block Grant revenues and the expenditures. The HUD funded Community Block Grant program provides financial support primarily for low and moderate-income families in the County.

Handicapped Parking Fines Fund

Created to account for monies collected under Chapter 316, Florida Statutes, also known as the State Uniform Traffic Control, which authorizes counties to regulate the parking of vehicles and to enforce regulations relating to disabled persons parking.

Family Mediation Fund

Created to account for monies provided through a private grant and authorized under Chapters 44.102 and 44.108, Florida Statutes. These funds were used to assure each minor child frequent and continuing contact with both parents after separation or dissolved marriages and to encourage parents to share the rights and responsibilities of child rearing.

Fire Protection Fund

Created to account for monies assessed by the Board of County Commissioners to property owners in unincorporated areas of Escambia County to provide for fire protection.

Emergency 911 Operations Fund

Created in accordance with the provisions of the Florida Emergency Telephone Act (Sections 365.171 and 365.172, Florida Statutes) to account for the Enhanced 911 (E911) fees imposed and collected from local telephone exchange customers and subscribers of wireless telephone services. 911 service directs 911 calls to the appropriate public safety answering point and provides for automatic number and location identification. The E911 Board may adjust the allocation percentages or adjust the amount of the fee, or both, if necessary, to ensure full cost recovery or prevent over recovery of costs incurred in the provision of E911. Expenditures are restricted to the establishment and maintenance of an enhanced emergency telephone number 911 system or enhanced 911 service.

HUD-CDBG Housing Rehabilitation Loan Fund

Created to account for funding to provide assistance for low/moderate income families within the unincorporated county through the rehabilitation of several substandard homes.

HUD Home Fund

Created to account for the HUD Housing Assistance revenues and expenditures. This grant provides for the rehabilitation of severely substandard homes.

Community Redevelopment Agency Fund (CRA)

Established to account for the revenues and expenditures of the redevelopment areas established within the County. The CRA Fund is a blended component unit of Escambia County. Pursuant to Florida Statutes Section 163 Part III, the Community Redevelopment Act of 1969 authorized government to use tax increment financing as a means for community redevelopment.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS - Continued

Bob Sikes Toll Facilities Fund

Established by County Ordinance No. 93-23 which authorizes the collection of bridge tolls for uses of the Bob Sikes Toll Bridge by passage seekers. The Board of County Commissioners establish toll rates for the Bob Sikes Bridge in order to pay for the proper maintenance, administration, debt service of the bridge, and other expenses for parks and recreation on Santa Rosa Island as approved by the Board of County Commissioners. In addition to cash tolls, annual permits (transponder sales) may be purchased for access to the Bridge.

Transportation Trust Fund

Created pursuant to the provisions of Section 129.02 Florida Statutes, to account for transportation related revenues and expenditures. The primary revenue source is fuel taxes which are the Seventh-cent/1 cent County, Ninth-cent, Local Option fuel tax, and Constitutional fuel tax. Fuel tax revenues are used to fund transportation expenditures allowable pursuant to Sections 206 and Section 366, Florida Statutes.

MSBU Assessment Program Fund

Created to account for monies collected for Municipal Service Benefit Units (MSBU) pursuant to County Ordinance No. 94-24 and Chapter 125, Florida Statutes

Master Drainage Basin Fund

Created to account for monies to provide drainage within specific districts.

Clerk Programs

This fund reflects the activities of the Office of the Clerk of the Circuit Court and Comptroller Trust Funds. Services provided are in accordance with provisions of the Florida Statutes Chapter 28.24 for records modernization.

Sheriff Programs

This fund reflects the activities of the Escambia County Sheriff's Office; primarily to account for the collection and expenditures of US Treasury and US Justice forfeiture sharing programs, and for revenues and disbursements of various Federal and State Grants.

Supervisor Programs

This fund reflects the activities of the Escambia Supervisor of Elections Office; primarily to account for the revenues and disbursements of various Federal and State Grants.

DEBT SERVICE FUND

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt Service funds are also used to report resources of legally mandated and financial resources that are being accumulated for principal and interest maturing in the future. The County has the following Debt Service Fund:

Debt Service Fund

Created to account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital outlay. Capital Project funds exclude capital-related outflows financed by Proprietary Fund or for assets held in trust for individuals, private organizations, or other governments. The County has the following Capital Projects Funds:

Non-LOST Capital Projects Fund

Created to account for capital projects funded through grant dollars or any source other than local option sales tax.

Series 2017 Project Fund

Created pursuant to Resolution 2017-70 to account for the proceeds of the Sales Tax Revenue Bonds, Series 2017 which was issued June 22, 2017. This fund accounts for the expenditures associated with the acquisition, planning, design and construction of a new 1,500 rated bed correctional facility. The new correctional facility became operational in fiscal year 2021.

FTA Capital Projects Fund

Created to account for revenue received from the United States Department of Transportation and cost associated with federal transportation assistance. The Federal Transit Administration (FTA) provides capital assistance for mass transit projects including mass transit fixed route and ADA paratransit services for citizens through urban areas of Escambia County. FTA funding is provided by Grants, State matching funds, and Escambia County Area Transit matching funds.

ESCAMBIA COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 76,920,436	\$ 281,545	\$ 5,356,307	\$ 82,558,288
Investments	23,979,685	104,564	1,989,290	26,073,539
Accounts Receivable	842,646	-	-	842,646
Due from Other Funds	259,035	-	-	259,035
Due from Other Governments	6,964,901	-	1,452,304	8,417,205
Inventories	640,303	-	-	640,303
Assets Held for Investment	315,072	-	-	315,072
Total Assets	\$ 109,922,078	\$ 386,109	\$ 8,797,901	\$ 119,106,088
LIABILITIES				
Accounts Payable	\$ 5,666,009	\$ -	\$ 1,452,563	\$ 7,118,572
Contracts Payable	286,290	-	3,437,990	3,724,280
Accrued Liabilities	1,455,133	-	-	1,455,133
Due to Other Funds	8,440	-	-	8,440
Advances Payable to Other Funds	7,489,386	-	-	7,489,386
Due to Other Governments	1,158,944	-	-	1,158,944
Deposits	783,958	-	-	783,958
Unearned Revenue	1,272,515	-	-	1,272,515
Total Liabilities	18,120,675	-	4,890,553	23,011,228
FUND BALANCES (deficits)				
Nonspendable				
Inventories	640,303	-	-	640,303
Restricted for				
Court Related Functions	4,277,898	-	-	4,277,898
Community Services	282,332	-	-	282,332
Debt Service	-	386,109	-	386,109
Economic & Community Development	7,833,490	-	-	7,833,490
Fire & Rescue	3,241,888	-	-	3,241,888
Health Services	91,156	-	-	91,156
Inmate Welfare	13,038,659	-	-	13,038,659
Jail Facility	-	-	3,549,583	3,549,583
Law Enforcement	261,478	-	-	261,478
Library	3,126,245	-	-	3,126,245
Mass Transit System	3,930,794	-	328,993	4,259,787
Parks & Recreation	-	-	28,772	28,772
Public Safety	3,540,255	-	-	3,540,255
Records Modernization Technology	5,815,624	-	-	5,815,624
Resource Conservation	1,762,777	-	-	1,762,777
Housing Assistance	10,273,743	-	-	10,273,743
Tourism	20,599,521	-	-	20,599,521
Transportation & Drainage Improvements	1,361,245	-	-	1,361,245
Committed to:				
Community Services	2,690,593	-	-	2,690,593
Infrastructure Maintenance	5,545,052	-	-	5,545,052
Public Safety	2,940,504	-	-	2,940,504
Transportation Maintenance	3,972,366	-	-	3,972,366
Assigned to:				
Unassigned:	(3,424,520)	-	-	(3,424,520)
Total Fund Balances	91,801,403	386,109	3,907,348	96,094,860
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 109,922,078	\$ 386,109	\$ 8,797,901	\$ 119,106,088

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 47,919,631	\$ -	\$ -	\$ 47,919,631
Permits and Fees	517,381	-	-	517,381
Franchise Fees	2,256,974	-	-	2,256,974
Special Assessments	52,767,659	-	-	52,767,659
Intergovernmental Revenues	33,864,526	-	2,421,635	36,286,161
Charges for Services	12,072,449	-	-	12,072,449
Judgments and Fines	1,217,499	-	-	1,217,499
Investment Gain (Loss)	(617,050)	21,559	19,090	(576,401)
Miscellaneous Revenues	4,436,843	-	3,800	4,440,643
Total Revenues	154,435,912	21,559	2,444,525	156,901,996
EXPENDITURES				
Current:				
General Government	31,285,293	-	-	31,285,293
Public Safety	37,934,806	-	-	37,934,806
Physical Environment	4,262,829	-	-	4,262,829
Transportation	36,061,664	-	261,434	36,323,098
Economic Environment	19,539,904	-	-	19,539,904
Human Services	30,344	-	-	30,344
Culture/Recreation	9,458,993	-	-	9,458,993
Court-Related	4,938,767	-	-	4,938,767
Debt Service:				
Principal Retirement	-	5,785,000	-	5,785,000
Interest and Fiscal Charges	120,026	6,160,210	-	6,280,236
Capital Outlay	-	-	2,241,312	2,241,312
Total Expenditures	143,632,626	11,945,210	2,502,746	158,080,582
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,803,286	(11,923,651)	(58,221)	(1,178,586)
OTHER FINANCING SOURCES (USES)				
Transfers In	17,201,092	11,944,533	-	29,145,625
Transfers (Out)	(7,390,446)	-	-	(7,390,446)
Total Other Financing Sources and (Uses)	9,810,646	11,944,533	-	21,755,179
Net Change in Fund Balances	20,613,932	20,882	(58,221)	20,576,593
Fund Balances - Beginning	71,187,471	365,227	3,965,569	75,518,267
Fund Balances - Ending	\$ 91,801,403	\$ 386,109	\$ 3,907,348	\$ 96,094,860



ESCAMBIA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2022

	Escambia County Restricted Fund	Economic Development Fund	Code Enforcement Fund	Mass Transit Fund	M&A State Revenue Fund
ASSETS					
Cash and Cash Equivalents	\$ 1,979,515	\$ 354,374	\$ 2,016,039	\$ 2,712,706	\$ 59,817
Investments	735,177	131,611	748,741	1,006,623	22,216
Accounts Receivable	6,400	-	246,989	112,449	-
Due from Other Funds	23,684	-	-	-	-
Due from Other Governments	-	-	78,301	758,571	9,506
Inventories	1,047	-	-	216,240	-
Assets Held for Investment	-	-	-	-	-
Total Assets	\$ 2,745,823	\$ 485,985	\$ 3,090,070	\$ 4,806,589	\$ 91,539
LIABILITIES					
Accounts Payable	\$ 34,145	\$ 1,975	\$ 114,636	\$ 466,882	\$ 383
Contracts Payable	-	-	-	-	-
Accrued Liabilities	10,767	-	34,888	190,470	-
Due to Other Funds	-	-	-	-	-
Advances Payable to Other Funds	-	-	-	-	-
Due to Other Governments	7,846	-	42	2,196	-
Deposits	1,425	-	-	7	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	54,183	1,975	149,566	659,555	383
FUND BALANCES					
Nonspendable:					
Inventories	1,047	-	-	216,240	-
Restricted for:					
Court Related Functions	-	-	-	-	-
Community Services	-	-	-	-	-
Economic & Community Development	-	484,010	-	-	-
Fire & Rescue	-	-	-	-	-
Health Services	-	-	-	-	91,156
Inmate Welfare	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Library	-	-	-	-	-
Mass Transit System	-	-	-	3,930,794	-
Public Safety	-	-	-	-	-
Records Modernization Technology	-	-	-	-	-
Resource Conservation	-	-	-	-	-
Housing Assistance	-	-	-	-	-
Tourism	-	-	-	-	-
Transportation & Drainage Improvements	-	-	-	-	-
Committed to:					
Community Services	2,690,593	-	-	-	-
Infrastructure Maintenance	-	-	-	-	-
Public Safety	-	-	2,940,504	-	-
Transportation Maintenance	-	-	-	-	-
Assigned to:					
Unassigned	-	-	-	-	-
Total Fund Balances	2,691,640	484,010	2,940,504	4,147,034	91,156
Total Liabilities and Fund Balances	\$ 2,745,823	\$ 485,985	\$ 3,090,070	\$ 4,806,589	\$ 91,539

Continued

Local Provider Plan Fund	Tourist Promotion Fund	Other Grant Projects Fund	Detention/Jail Commissary Fund	Library Fund	Misdemeanor Probation Fund	Article V Fund	Development Review Fund
\$ 4,451,932 1,653,412 - - - - -	\$ 16,412,301 6,095,398 - 234 - - -	\$ 1,025,829 380,985 - 1,293,124 - - -	\$ 4,889,296 1,815,845 337,647 - - 63,236 -	\$ 2,671,314 991,434 61,746 - 4,065 - -	\$ 493,423 183,253 - - 6 - -	\$ 4,158,807 1,544,547 - - 156,121 - -	\$ 1,449,467 538,320 - - - - -
<u>\$ 6,105,344</u>	<u>\$ 22,507,933</u>	<u>\$ 2,699,938</u>	<u>\$ 7,106,024</u>	<u>\$ 3,728,559</u>	<u>\$ 676,682</u>	<u>\$ 5,859,475</u>	<u>\$ 1,987,787</u>
\$ - - - - - - -	\$ 1,901,185 - 7,211 - - 16 -	\$ 127,208 7,415 7,157 - - 45 -	\$ 81,474 - 12,624 - - 15,375 -	\$ 304,386 205,147 92,309 - - 472 -	\$ 15,868 - 31,976 - - 170 2,401	\$ 509,224 - 29,947 - - 795,700 780,125	\$ 652 - 17,348 - - - - -
-	1,908,412	1,245,969	109,473	602,314	50,415	2,114,996	18,000
-	-	-	63,236	-	-	-	-
-	-	438,105	-	-	-	3,744,479	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,105,344	-	-	6,933,315	-	-	-	-
-	-	-	-	3,126,245	-	-	-
-	-	-	-	-	-	-	-
-	-	944,201	-	-	626,267	-	1,969,787
-	-	-	-	-	-	-	-
-	-	70,450	-	-	-	-	-
-	-	-	-	-	-	-	-
-	20,599,521	-	-	-	-	-	-
-	-	1,213	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>6,105,344</u>	<u>20,599,521</u>	<u>1,453,969</u>	<u>6,996,551</u>	<u>3,126,245</u>	<u>626,267</u>	<u>3,744,479</u>	<u>1,969,787</u>
<u>\$ 6,105,344</u>	<u>\$ 22,507,933</u>	<u>\$ 2,699,938</u>	<u>\$ 7,106,024</u>	<u>\$ 3,728,559</u>	<u>\$ 676,682</u>	<u>\$ 5,859,475</u>	<u>\$ 1,987,787</u>

ESCAMBA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2022

	Perdido Key Beach Mouse Fund	RESTORE Fund	State Housing Initiative Partnership (SHIP) Fund
ASSETS			
Cash and Cash Equivalents	\$ 1,083,649	\$ 399,563	\$ 6,473,495
Investments	402,458	148,395	-
Accounts Receivable	-	-	-
Due from Other Funds	-	-	-
Due from Other Governments	-	2,472,399	-
Inventories	-	-	-
Assets Held for Investment	-	-	-
Total Assets	\$ 1,486,107	\$ 3,020,357	\$ 6,473,495
LIABILITIES			
Accounts Payable	\$ 1,680	\$ 439,150	\$ 59,270
Contracts Payable	-	34,596	-
Accrued Liabilities	1,637	17,141	3,651
Due to Other Funds	-	-	8,440
Advances Payable to Other Funds	-	2,300,000	-
Due to Other Governments	-	19,933	-
Deposits	-	-	-
Unearned Revenue	-	-	-
Total Liabilities	3,317	2,810,820	71,361
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted for:			
Court Related Functions	-	-	-
Community Services	-	-	-
Economic & Community Development	-	-	-
Fire & Rescue	-	-	-
Health Services	-	-	-
Inmate Welfare	-	-	-
Law Enforcement	-	-	-
Library	-	-	-
Mass Transit System	-	-	-
Public Safety	-	-	-
Records Modernization Technology	-	-	-
Resource Conservation	1,482,790	209,537	-
Housing Assistance	-	-	6,402,134
Tourism	-	-	-
Transportation & Drainage Improvements	-	-	-
Committed to:			
Community Services	-	-	-
Infrastructure Maintenance	-	-	-
Public Safety	-	-	-
Transportation Maintenance	-	-	-
Assigned to:			
Unassigned	-	-	-
Total Fund Balances	1,482,790	209,537	6,402,134
Total Liabilities and Fund Balances	\$ 1,486,107	\$ 3,020,357	\$ 6,473,495

Continued

Law Enforcement Trust Fund	Escambia County Affordable Housing Fund	CDBG - HUD Entitlement Fund	Handicapped Parking Fines Fund	Family Mediation Fund	Fire Protection Fund	Emergency 911 Operations Fund	HUD-CDBG Housing Rehabilitation Loan Fund
\$ 195,840 72,734 - - - -	\$ 1,711,339 635,578 - 300 - -	\$ 689,520 256,082 4,517 - 256,620 -	\$ 206,876 76,832 - 639 -	\$ 69,502 25,812 - - -	\$ 1,792,826 665,842 - 45,070 17,050 -	\$ 761,350 282,759 - 388,726 -	\$ 18,045 6,702 - - -
<u>\$ 268,574</u>	<u>\$ 2,347,217</u>	<u>\$ 1,206,739</u>	<u>\$ 284,347</u>	<u>\$ 95,314</u>	<u>\$ 2,520,788</u>	<u>\$ 1,432,835</u>	<u>\$ 24,747</u>
\$ 7,096 - - - - - -	\$ 397 - - - 100 -	\$ 472,368 20,695 7,966 - 667 163,883	\$ 525 - - - 1,490 -	\$ - - - - -	\$ 191,269 - 472,396 - 3,487 -	\$ 27,533 - - - -	\$ - - - - -
<u>7,096</u>	<u>497</u>	<u>665,579</u>	<u>2,015</u>	<u>-</u>	<u>667,152</u>	<u>27,533</u>	<u>-</u>
-	-	-	-	-	17,050	-	-
-	-	-	-	95,314	-	-	-
-	-	-	282,332	-	-	-	-
-	-	-	-	-	1,836,586	1,405,302	-
-	-	-	-	-	-	-	-
261,478	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	2,346,720	541,160	-	-	-	-	24,747
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>261,478</u>	<u>2,346,720</u>	<u>541,160</u>	<u>282,332</u>	<u>95,314</u>	<u>1,853,636</u>	<u>1,405,302</u>	<u>24,747</u>
<u>\$ 268,574</u>	<u>\$ 2,347,217</u>	<u>\$ 1,206,739</u>	<u>\$ 284,347</u>	<u>\$ 95,314</u>	<u>\$ 2,520,788</u>	<u>\$ 1,432,835</u>	<u>\$ 24,747</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2022

	HUD Home Fund	Community Redevelopment Agency Fund	Bob Sikes Toll Facilities Fund	Transportation Trust Fund
ASSETS				
Cash and Cash Equivalents	\$ 699,500	\$ 5,455,256	\$ 4,020,021	\$ 2,682,555
Investments	259,789	2,026,039	1,492,707	996,254
Accounts Receivable	-	-	64,618	-
Due from Other Funds	-	-	-	235,351
Due from Other Governments	70,000	-	-	1,033,462
Inventories	-	-	-	342,730
Assets Held for Investment	-	-	-	-
Total Assets	\$ 1,029,289	\$ 7,481,295	\$ 5,577,346	\$ 5,290,352
LIABILITIES				
Accounts Payable	\$ 70,000	\$ 130,431	\$ 29,938	\$ 449,515
Contracts Payable	-	-	-	18,437
Accrued Liabilities	307	1,286	2,356	505,298
Due to Other Funds	-	-	-	-
Advances Payable to Other Funds	-	-	-	-
Due to Other Governments	-	98	-	2,006
Deposits	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	70,307	131,815	32,294	975,256
FUND BALANCES				
Nonspendable:				
Inventories	-	-	-	342,730
Restricted for:				
Court Related Functions	-	-	-	-
Community Services	-	-	-	-
Economic & Community Development	-	7,349,480	-	-
Fire & Rescue	-	-	-	-
Health Services	-	-	-	-
Inmate Welfare	-	-	-	-
Law Enforcement	-	-	-	-
Library	-	-	-	-
Mass Transit System	-	-	-	-
Public Safety	-	-	-	-
Records Modernization Technology	-	-	-	-
Resource Conservation	-	-	-	-
Housing Assistance	958,982	-	-	-
Tourism	-	-	-	-
Transportation & Drainage Improvements	-	-	-	-
Committed to:				
Community Services	-	-	-	-
Infrastructure Maintenance	-	-	5,545,052	-
Public Safety	-	-	-	-
Transportation Maintenance	-	-	-	3,972,366
Assigned to:				
Unassigned	-	-	-	-
Total Fund Balances	958,982	7,349,480	5,545,052	4,315,096
Total Liabilities and Fund Balances	\$ 1,029,289	\$ 7,481,295	\$ 5,577,346	\$ 5,290,352

Continued

MSBU Assessment Program Fund	Master Drainage Basin Fund	Clerk Programs	Sheriff Programs	Supervisor of Elections Programs	Total Nonmajor Special Revenue Funds
\$ 1,111,311	\$ 1,000,047	\$ 5,870,433	\$ 4,488	\$ -	\$ 76,920,436
412,730	371,410	-	-	-	23,979,685
8,280	-	-	-	-	842,646
-	-	-	-	-	259,035
798	-	87,746	309,213	-	6,964,901
-	-	-	-	-	640,303
315,072	-	-	-	-	315,072
<u>\$ 1,848,191</u>	<u>\$ 1,371,457</u>	<u>\$ 5,958,179</u>	<u>\$ 313,701</u>	<u>\$ -</u>	<u>\$ 109,922,078</u>
\$ 83,237	\$ 11,425	\$ 134,157	\$ -	\$ -	5,666,009
-	-	-	-	-	286,290
-	-	8,398	-	-	1,455,133
-	-	-	-	-	8,440
5,189,386	-	-	-	-	7,489,386
88	-	-	309,213	-	1,158,944
-	-	-	-	-	783,958
-	-	-	4,488	-	1,272,515
<u>5,272,711</u>	<u>11,425</u>	<u>142,555</u>	<u>313,701</u>	<u>-</u>	<u>18,120,675</u>
-	-	-	-	-	640,303
-	-	-	-	-	4,277,898
-	-	-	-	-	282,332
-	-	-	-	-	7,833,490
-	-	-	-	-	3,241,888
-	-	-	-	-	91,156
-	-	-	-	-	13,038,659
-	-	-	-	-	261,478
-	-	-	-	-	3,126,245
-	-	-	-	-	3,930,794
-	-	-	-	-	3,540,255
-	-	5,815,624	-	-	5,815,624
-	-	-	-	-	1,762,777
-	-	-	-	-	10,273,743
-	-	-	-	-	20,599,521
-	1,360,032	-	-	-	1,361,245
-	-	-	-	-	2,690,593
-	-	-	-	-	5,545,052
-	-	-	-	-	2,940,504
-	-	-	-	-	3,972,366
(3,424,520)	-	-	-	-	(3,424,520)
<u>(3,424,520)</u>	<u>1,360,032</u>	<u>5,815,624</u>	<u>-</u>	<u>-</u>	<u>91,801,403</u>
<u>\$ 1,848,191</u>	<u>\$ 1,371,457</u>	<u>\$ 5,958,179</u>	<u>\$ 313,701</u>	<u>\$ -</u>	<u>\$ 109,922,078</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2022

	Escambia County Restricted Fund	Economic Development Fund	Code Enforcement Fund	Mass Transit Fund	M&A State Revenue Fund	Local Provider Plan Fund
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 4,982,423	\$ -	\$ -
Permits and Fees	-	-	-	-	-	-
Franchise Fees	-	-	2,256,974	-	-	-
Special Assessments	-	-	-	-	-	32,872,166
Intergovernmental Revenues	134,000	-	-	7,969,017	38,025	-
Charges for Services	481,879	-	-	700,665	-	-
Judgments and Fines	-	-	874,907	-	-	-
Investment Gain (Loss)	(16,770)	(3,878)	(21,136)	(15,104)	(485)	-
Miscellaneous Revenues	657,566	43,500	1,228	17,495	-	-
Total Revenues	1,256,675	39,622	3,111,973	13,654,496	37,540	32,872,166
EXPENDITURES						
Current:						
General Government	23,110	-	-	-	-	26,766,822
Public Safety	208,275	-	2,230,659	-	-	-
Physical Environment	236,102	-	-	-	-	-
Transportation	-	-	-	13,288,396	-	-
Economic Environment	-	1,975	-	-	-	-
Human Services	13,362	-	-	-	9,797	-
Culture/Recreation	4,212	-	-	-	-	-
Court-Related	-	-	-	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	-	-
Total Expenditures	485,061	1,975	2,230,659	13,288,396	9,797	26,766,822
Excess (Deficiency) of Revenues Over (Under) Expenditures	771,614	37,647	881,314	366,100	27,743	6,105,344
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Transfers (Out)	(444,853)	-	(450,000)	-	-	-
Total Other Financing Sources and (Uses)	(444,853)	-	(450,000)	-	-	-
Net Change in Fund Balances	326,761	37,647	431,314	366,100	27,743	6,105,344
Fund Balances - Beginning	2,364,879	446,363	2,509,190	3,780,934	63,413	-
Fund Balances - Ending	\$ 2,691,640	\$ 484,010	\$ 2,940,504	\$ 4,147,034	\$ 91,156	\$ 6,105,344

Continued

Tourist Promotion Fund	Other Grant Projects Fund	Detention/Jail Commissary Fund	Library Fund	Misdemeanor Probation Fund	Article V Fund	Development Review Fund
\$ 21,816,410	\$ -	\$ -	\$ 7,266,625	\$ -	\$ -	\$ -
-	-	-	-	-	-	397,815
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	6,365,888	-	105,143	-	1,476,342	-
-	15,627	2,773,602	26,255	826,608	2,188,989	859,370
-	506	-	26,737	10,300	-	-
(117,613)	7,549	(47,492)	(53,738)	(3,645)	(43,857)	(14,721)
203,237	37,221	1,496	85,590	(31,763)	30,463	-
<u>21,902,034</u>	<u>6,426,791</u>	<u>2,727,606</u>	<u>7,456,612</u>	<u>801,500</u>	<u>3,651,937</u>	<u>1,242,464</u>
-	-	-	-	-	-	636,112
-	1,699,950	1,262,256	-	1,392,725	209,925	-
287,336	272,128	-	-	-	-	-
-	60,744	-	-	-	-	-
13,143,034	4,123,201	-	-	-	-	-
-	-	-	-	-	-	-
-	173,074	-	9,190,003	-	-	-
-	4,956	-	-	-	4,203,458	-
-	-	-	-	-	-	-
<u>13,430,370</u>	<u>6,334,053</u>	<u>1,262,256</u>	<u>9,190,003</u>	<u>1,392,725</u>	<u>4,413,383</u>	<u>636,112</u>
<u>8,471,664</u>	<u>92,738</u>	<u>1,465,350</u>	<u>(1,733,391)</u>	<u>(591,225)</u>	<u>(761,446)</u>	<u>606,352</u>
-	21,605	-	-	1,040,835	1,572,832	-
(1,500,000)	-	-	-	-	(790,000)	(275,000)
<u>(1,500,000)</u>	<u>21,605</u>	<u>-</u>	<u>-</u>	<u>1,040,835</u>	<u>782,832</u>	<u>(275,000)</u>
6,971,664	114,343	1,465,350	(1,733,391)	449,610	21,386	331,352
<u>13,627,857</u>	<u>1,339,626</u>	<u>5,531,201</u>	<u>4,859,636</u>	<u>176,657</u>	<u>3,723,093</u>	<u>1,638,435</u>
<u>\$ 20,599,521</u>	<u>\$ 1,453,969</u>	<u>\$ 6,996,551</u>	<u>\$ 3,126,245</u>	<u>\$ 626,267</u>	<u>\$ 3,744,479</u>	<u>\$ 1,969,787</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2022

	Perdido Key Beach Mouse Fund	RESTORE Fund	State Housing Initiative Partnership (SHIP) Fund	Law Enforcement Trust Fund	Escambia County Affordable Housing Fund
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and Fees	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Special Assessments	142,053	-	-	-	-
Intergovernmental Revenues	-	3,495,004	3,483,761	-	-
Charges for Services	-	-	-	-	-
Judgments and Fines	-	-	-	289,977	-
Investment Gain (Loss)	(11,924)	2,219	8,865	(2,830)	12,618
Miscellaneous Revenues	-	-	1,033,124	-	520,804
Total Revenues	<u>130,129</u>	<u>3,497,223</u>	<u>4,525,750</u>	<u>287,147</u>	<u>533,422</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	438,565	-
Physical Environment	115,809	3,351,454	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	734,803	-	16,574
Human Services	-	-	-	-	-
Culture/Recreation	-	91,704	-	-	-
Court-Related	-	-	-	-	-
Debt Service:					
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>115,809</u>	<u>3,443,158</u>	<u>734,803</u>	<u>438,565</u>	<u>16,574</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,320</u>	<u>54,065</u>	<u>3,790,947</u>	<u>(151,418)</u>	<u>516,848</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	25,000	-	-	-
Transfers (Out)	-	-	-	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	14,320	79,065	3,790,947	(151,418)	516,848
Fund Balances - Beginning	<u>1,468,470</u>	<u>130,472</u>	<u>2,611,187</u>	<u>412,896</u>	<u>1,829,872</u>
Fund Balances - Ending	<u>\$ 1,482,790</u>	<u>\$ 209,537</u>	<u>\$ 6,402,134</u>	<u>\$ 261,478</u>	<u>\$ 2,346,720</u>

Continued

CDBG - HUD Entitlement Fund	Handicapped Parking Fines Fund	Family Mediation Fund	Fire Protection Fund	Emergency 911 Operations Fund	HUD-CDBG Housing Rehabilitation Loan Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	118,816	-	-
-	-	-	-	-	-
-	-	-	17,699,011	-	-
1,384,666	-	-	14,935	1,579,683	-
-	10,176	-	206,000	-	-
-	-	-	-	-	-
2,088	(2,224)	(759)	(75,637)	(6,842)	74
-	-	-	31,154	-	-
<u>1,386,754</u>	<u>7,952</u>	<u>(759)</u>	<u>17,994,279</u>	<u>1,572,841</u>	<u>74</u>
-	-	-	-	-	-
-	-	-	20,506,570	698,771	-
-	-	-	-	-	-
-	-	-	-	-	-
1,289,000	-	-	-	-	13,359
-	7,185	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,289,000</u>	<u>7,185</u>	<u>-</u>	<u>20,506,570</u>	<u>698,771</u>	<u>13,359</u>
<u>97,754</u>	<u>767</u>	<u>(759)</u>	<u>(2,512,291)</u>	<u>874,070</u>	<u>(13,285)</u>
-	-	-	4,444,366	-	-
(17,000)	-	-	(1,893,016)	(658,222)	-
(17,000)	-	-	2,551,350	(658,222)	-
80,754	767	(759)	39,059	215,848	(13,285)
460,406	281,565	96,073	1,814,577	1,189,454	38,032
<u>\$ 541,160</u>	<u>\$ 282,332</u>	<u>\$ 95,314</u>	<u>\$ 1,853,636</u>	<u>\$ 1,405,302</u>	<u>\$ 24,747</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2022

	HUD Home Fund	Community Redevelopment Agency Fund	Bob Sikes Toll Facilities Fund	Transportation Trust Fund	MSBU Assessment Program Fund
REVENUES					
Taxes	\$ -	\$ 4,340,086	\$ -	\$ 9,514,087	\$ -
Permits and Fees	-	-	-	750	-
Franchise Fees	-	-	-	-	-
Special Assessments	-	-	-	-	1,615,391
Intergovernmental Revenues	141,146	-	-	6,078,833	264,056
Charges for Services	-	-	2,762,019	284,018	-
Judgments and Fines	-	-	14,157	-	-
Investment Gain (Loss)	2,579	(76,005)	(39,283)	(71,600)	(18,261)
Miscellaneous Revenues	308,269	-	16,667	997,980	-
Total Revenues	<u>451,994</u>	<u>4,264,081</u>	<u>2,753,560</u>	<u>16,804,068</u>	<u>1,861,186</u>
EXPENDITURES					
Current:					
General Government	-	2,688,656	1,164,953	-	-
Public Safety	-	-	-	8,451,602	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	21,343,342	1,235,060
Economic Environment	217,958	-	-	-	-
Human Services	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court-Related	-	-	-	-	-
Debt Service:					
Interest and Fiscal Charges	-	-	-	-	120,026
Total Expenditures	<u>217,958</u>	<u>2,688,656</u>	<u>1,164,953</u>	<u>29,794,944</u>	<u>1,355,086</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>234,036</u>	<u>1,575,425</u>	<u>1,588,607</u>	<u>(12,990,876)</u>	<u>506,100</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	17,000	-	9,634,601	444,853
Transfers (Out)	-	-	(1,340,750)	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>17,000</u>	<u>(1,340,750)</u>	<u>9,634,601</u>	<u>444,853</u>
Net Change in Fund Balances	<u>234,036</u>	<u>1,592,425</u>	<u>247,857</u>	<u>(3,356,275)</u>	<u>950,953</u>
Fund Balances - Beginning	<u>724,946</u>	<u>5,757,055</u>	<u>5,297,195</u>	<u>7,671,371</u>	<u>(4,375,473)</u>
Fund Balances - Ending	<u>\$ 958,982</u>	<u>\$ 7,349,480</u>	<u>\$ 5,545,052</u>	<u>\$ 4,315,096</u>	<u>\$ (3,424,520)</u>

Continued

Master Drainage Basin Fund	Clerk Programs	Sheriff Programs	Supervisor of Elections Programs	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 47,919,631
-	-	-	-	517,381
-	-	-	-	2,256,974
439,038	-	-	-	52,767,659
-	472,189	834,593	27,245	33,864,526
-	937,241	-	-	12,072,449
-	-	915	-	1,217,499
(9,238)	-	-	-	(617,050)
-	482,812	-	-	4,436,843
<u>429,800</u>	<u>1,892,242</u>	<u>835,508</u>	<u>27,245</u>	<u>154,435,912</u>
-	-	-	5,640	31,285,293
-	-	835,508	-	37,934,806
-	-	-	-	4,262,829
134,122	-	-	-	36,061,664
-	-	-	-	19,539,904
-	-	-	-	30,344
-	-	-	-	9,458,993
-	730,353	-	-	4,938,767
-	-	-	-	120,026
<u>134,122</u>	<u>730,353</u>	<u>835,508</u>	<u>5,640</u>	<u>143,632,626</u>
<u>295,678</u>	<u>1,161,889</u>	<u>-</u>	<u>21,605</u>	<u>10,803,286</u>
-	-	-	-	17,201,092
-	-	-	(21,605)	(7,390,446)
-	-	-	(21,605)	9,810,646
295,678	1,161,889	-	-	20,613,932
<u>1,064,354</u>	<u>4,653,735</u>	<u>-</u>	<u>-</u>	<u>71,187,471</u>
<u>\$ 1,360,032</u>	<u>\$ 5,815,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,801,403</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
ESCAMBIA COUNTY RESTRICTED FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 127,300	\$ 134,000	\$ 6,700
Charges for Services	332,025	481,879	149,854
Investment Gain (Loss)	-	(16,770)	(16,770)
Miscellaneous Revenues	85,250	657,566	572,316
Total Revenues	544,575	1,256,675	712,100
EXPENDITURES			
Current:			
General Government	241,057	23,110	217,947
Public Safety	519,028	208,275	310,753
Physical Environment	1,882,850	236,102	1,646,748
Transportation	20,661	-	20,661
Human Services	128,912	13,362	115,550
Culture and Recreation	116,947	4,212	112,735
Total Expenditures	2,909,455	485,061	2,424,394
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,364,880)	771,614	3,136,494
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	444,853	(444,853)	-
Total Other Financing Sources and (Uses)	444,853	(444,853)	-
Net Change in Fund Balance	2,809,733	326,761	3,136,494
Fund Balance - Beginning	(2,809,733)	2,364,879	5,174,612
Fund Balance - Ending	\$ -	\$ 2,691,640	\$ 8,311,106

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
ECONOMIC DEVELOPMENT FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Gain (Loss)	\$ -	\$ (3,878)	\$ (3,878)
Miscellaneous Revenues	-	43,500	43,500
Total Revenues	<u>-</u>	<u>39,622</u>	<u>39,622</u>
EXPENDITURES			
Current:			
Economic Environment	446,363	1,975	444,388
Total Expenditures	<u>446,363</u>	<u>1,975</u>	<u>444,388</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(446,363)</u>	<u>37,647</u>	<u>484,010</u>
Net Change in Fund Balance	(446,363)	37,647	484,010
Fund Balance - Beginning	<u>446,363</u>	<u>446,363</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 484,010</u>	<u>\$ 484,010</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CODE ENFORCEMENT FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Franchise Fees	\$ 1,781,250	\$ 2,256,974	\$ 475,724
Judgments and Fines	242,250	874,907	632,657
Investment Gain (Loss)	-	(21,136)	(21,136)
Miscellaneous Revenues	61,750	1,228	(60,522)
Total Revenues	<u>2,085,250</u>	<u>3,111,973</u>	<u>1,026,723</u>
EXPENDITURES			
Current:			
Public Safety	4,144,440	2,230,659	1,913,781
Total Expenditures	<u>4,144,440</u>	<u>2,230,659</u>	<u>1,913,781</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,059,190)</u>	<u>881,314</u>	<u>2,940,504</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(450,000)	(450,000)	-
Total Other Financing Sources and (Uses)	<u>(450,000)</u>	<u>(450,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>(2,509,190)</u>	<u>431,314</u>	<u>2,940,504</u>
Fund Balance - Beginning	<u>2,509,190</u>	<u>2,509,190</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 2,940,504</u>	<u>\$ 2,940,504</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MASS TRANSIT FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Taxes	\$ 4,550,630	\$ 4,982,423	\$ 431,793
Intergovernmental	16,211,402	7,969,017	(8,242,385)
Charges for Service	1,098,017	700,665	(397,352)
Investment Gain (Loss)	-	(15,104)	(15,104)
Miscellaneous Revenues	-	17,495	17,495
Total Revenues	<u>21,860,049</u>	<u>13,654,496</u>	<u>(8,205,553)</u>
EXPENDITURES			
Current:			
Transportation	22,312,447	13,288,396	9,024,051
Total Expenditures	<u>22,312,447</u>	<u>13,288,396</u>	<u>9,024,051</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(452,398)</u>	<u>366,100</u>	<u>818,498</u>
Net Change in Fund Balance	(452,398)	366,100	818,498
Fund Balance - Beginning	<u>452,398</u>	<u>3,780,934</u>	<u>3,328,536</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 4,147,034</u>	<u>\$ 4,147,034</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
M & A STATE REVENUE FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental	\$ 38,026	\$ 38,025	\$ (1)
Investment Gain (Loss)	-	(485)	(485)
Total Revenues	<u>38,026</u>	<u>37,540</u>	<u>(486)</u>
EXPENDITURES			
Current:			
Human Services	101,439	9,797	91,642
Total Expenditures	<u>101,439</u>	<u>9,797</u>	<u>91,642</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(63,413)</u>	<u>27,743</u>	<u>91,156</u>
Net Change in Fund Balance	(63,413)	27,743	91,156
Fund Balance - Beginning	<u>63,413</u>	<u>63,413</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 91,156</u>	<u>\$ 91,156</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL PROVIDER PLAN
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Special Assessments	\$ 32,872,166	\$ 32,872,166	\$ -
Total Revenues	<u>32,872,166</u>	<u>32,872,166</u>	<u>-</u>
EXPENDITURES			
Current:			
General Government	32,872,166	26,766,822	6,105,344
Total Expenditures	<u>32,872,166</u>	<u>26,766,822</u>	<u>6,105,344</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>6,105,344</u>	<u>6,105,344</u>
Net Change in Fund Balance	-	6,105,344	6,105,344
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 6,105,344</u>	<u>\$ 6,105,344</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
TOURIST PROMOTION FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Taxes	\$ 14,606,250	\$ 21,816,410	\$ 7,210,160
Intergovernmental Revenues	35,264	-	(35,264)
Investment Gain (Loss)	-	(117,613)	(117,613)
Miscellaneous Revenues	-	203,237	203,237
Total Revenues	<u>14,641,514</u>	<u>21,902,034</u>	<u>7,260,520</u>
EXPENDITURES			
Current:			
Physical Environment	351,497	287,336	64,161
Economic Environment	26,382,610	13,143,034	13,239,576
Total Expenditures	<u>26,734,107</u>	<u>13,430,370</u>	<u>13,303,737</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,092,593)</u>	<u>8,471,664</u>	<u>20,564,257</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(1,500,000)	(1,500,000)	-
Total Other Financing Sources and (Uses)	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>(13,592,593)</u>	<u>6,971,664</u>	<u>20,564,257</u>
Fund Balance - Beginning	<u>13,592,593</u>	<u>13,627,857</u>	<u>35,264</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 20,599,521</u>	<u>\$ 20,599,521</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
OTHER GRANT PROJECTS FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 26,392,000	\$ 6,365,888	\$ (20,026,112)
Charges for Services	18,716	15,627	(3,089)
Judgments and Fines	-	506	506
Investment Gain (Loss)	-	7,549	7,549
Miscellaneous Revenues	311,598	37,221	(274,377)
Total Revenues	26,722,314	6,426,791	(20,295,523)
EXPENDITURES			
Current:			
Public Safety	12,673,236	1,699,950	10,973,286
Physical Environment	891,822	272,128	619,694
Transportation	160,380	60,744	99,636
Economic Environment	12,464,996	4,123,201	8,341,795
Culture and Recreation	497,431	173,074	324,357
Court-Related	34,449	4,956	29,493
Total Expenditures	26,722,314	6,334,053	20,388,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	92,738	92,738
OTHER FINANCING SOURCES (USES)			
Transfers In	-	21,605	21,605
Total Other Financing Sources and (Uses)	-	21,605	21,605
Net Change in Fund Balance	-	114,343	114,343
Fund Balance - Beginning	-	1,339,626	1,339,626
Fund Balance - Ending	\$ -	\$ 1,453,969	\$ 1,453,969

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DETENTION/JAIL COMMISSARY FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Charges for Services	\$ 1,710,000	\$ 2,773,602	\$ 1,063,602
Investment Gain (Loss)	-	(47,492)	(47,492)
Miscellaneous Revenues	750	1,496	746
Total Revenues	<u>1,710,750</u>	<u>2,727,606</u>	<u>1,016,856</u>
EXPENDITURES			
Current:			
Public Safety	7,241,951	1,262,256	5,979,695
Total Expenditures	<u>7,241,951</u>	<u>1,262,256</u>	<u>5,979,695</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,531,201)</u>	<u>1,465,350</u>	<u>6,996,551</u>
 Net Change in Fund Balance	 (5,531,201)	 1,465,350	 6,996,551
 Fund Balance - Beginning	 <u>5,531,201</u>	 <u>5,531,201</u>	 <u>-</u>
 Fund Balance - Ending	 <u>\$ -</u>	 <u>\$ 6,996,551</u>	 <u>\$ 6,996,551</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LIBRARY FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Taxes	\$ 7,164,353	\$ 7,266,625	\$ 102,272
Intergovernmental Revenues	80,000	105,143	25,143
Charges for Services	-	26,255	26,255
Judgments and Fines	28,025	26,737	(1,288)
Investment Gain (Loss)	122,550	(53,738)	(176,288)
Miscellaneous Revenues	184,126	85,590	(98,536)
Total Revenues	7,579,054	7,456,612	(122,442)
EXPENDITURES			
Current:			
Culture and Recreation	12,368,245	9,190,003	3,178,242
Total Expenditures	12,368,245	9,190,003	3,178,242
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,789,191)	(1,733,391)	3,055,800
Net Change in Fund Balance	(4,789,191)	(1,733,391)	3,055,800
Fund Balance - Beginning	4,789,191	4,859,636	70,445
Fund Balance - Ending	\$ -	\$ 3,126,245	\$ 3,126,245

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MISDEMEANOR PROBATION FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Charges for Services	793,915	826,608	32,693
Judgements and Fines	7,980	10,300	2,320
Investment Gain (Loss)	-	(3,645)	(3,645)
Miscellaneous Revenue	38,285	(31,763)	(70,048)
Total Revenues	<u>840,180</u>	<u>801,500</u>	<u>(38,680)</u>
EXPENDITURES			
Current:			
Public Safety	1,949,573	1,392,725	556,848
Total Expenditures	<u>1,949,573</u>	<u>1,392,725</u>	<u>556,848</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,109,393)</u>	<u>(591,225)</u>	<u>518,168</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,040,835	1,040,835	-
Total Other Financing Sources and (Uses)	<u>1,040,835</u>	<u>1,040,835</u>	<u>-</u>
Net Change in Fund Balance	(68,558)	449,610	518,168
Fund Balance - Beginning	<u>68,558</u>	<u>176,657</u>	<u>108,099</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 626,267</u>	<u>\$ 626,267</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
ARTICLE V FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental	\$ 1,334,267	\$ 1,476,342	\$ 142,075
Charges for Services	2,016,618	2,188,989	172,371
Investment Gain (Loss)	-	(43,857)	(43,857)
Miscellaneous Revenues	-	30,463	30,463
Total Revenues	<u>3,350,885</u>	<u>3,651,937</u>	<u>301,052</u>
EXPENDITURES			
Current:			
Public Safety	667,785	209,925	457,860
Court-Related	8,251,810	4,203,458	4,048,352
Total Expenditures	<u>8,919,595</u>	<u>4,413,383</u>	<u>4,506,212</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,568,710)</u>	<u>(761,446)</u>	<u>4,807,264</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,572,832	1,572,832	-
Transfers (Out)	(790,000)	(790,000)	-
Total Other Financing Sources and (Uses)	<u>782,832</u>	<u>782,832</u>	<u>-</u>
Net Change in Fund Balance	<u>(4,785,878)</u>	<u>21,386</u>	<u>4,807,264</u>
Fund Balance - Beginning	<u>4,785,878</u>	<u>3,723,093</u>	<u>(1,062,785)</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 3,744,479</u>	<u>\$ 3,744,479</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DEVELOPMENT REVIEW FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Permits and Fees	\$ 255,033	\$ 397,815	\$ 142,782
Charges for Services	530,457	859,370	328,913
Investment Gain (Loss)	-	(14,721)	(14,721)
Total Revenues	<u>785,490</u>	<u>1,242,464</u>	<u>456,974</u>
EXPENDITURES			
Current:			
General Government	2,423,925	636,112	1,787,813
Total Expenditures	<u>2,423,925</u>	<u>636,112</u>	<u>1,787,813</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,638,435)</u>	<u>606,352</u>	<u>2,244,787</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	-	(275,000)	(275,000)
Total Other Financing Sources and (Uses)	<u>-</u>	<u>(275,000)</u>	<u>(275,000)</u>
Net Change in Fund Balance	<u>(1,638,435)</u>	<u>331,352</u>	<u>1,969,787</u>
Fund Balance - Beginning	<u>1,638,435</u>	<u>1,638,435</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 1,969,787</u>	<u>\$ 1,969,787</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PERDIDO KEY BEACH MOUSE FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Special Assessments	\$ 133,001	\$ 142,053	\$ 9,052
Intergovernmental Revenues	-	-	-
Investment Gain (Loss)	-	(11,924)	(11,924)
Total Revenues	<u>133,001</u>	<u>130,129</u>	<u>(2,872)</u>
EXPENDITURES			
Current:			
Physical Environment	1,601,471	115,809	1,485,662
Total Expenditures	<u>1,601,471</u>	<u>115,809</u>	<u>1,485,662</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,468,470)</u>	<u>14,320</u>	<u>1,482,790</u>
Net Change in Fund Balance	(1,468,470)	14,320	1,482,790
Fund Balance - Beginning	<u>1,468,470</u>	<u>1,468,470</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 1,482,790</u>	<u>\$ 1,482,790</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RESTORE FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 43,006,761	\$ 3,495,004	\$ (39,511,757)
Investment Gain (Loss)	-	2,219	2,219
Total Revenues	<u>43,006,761</u>	<u>3,497,223</u>	<u>(39,509,538)</u>
EXPENDITURES			
Current:			
General Government	130,472	-	130,472
Physical Environment	38,551,549	3,351,454	35,200,095
Culture/Recreation	4,560,061	91,704	4,468,357
Total Expenditures	<u>43,242,082</u>	<u>3,443,158</u>	<u>39,798,924</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(235,321)</u>	<u>54,065</u>	<u>289,386</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	25,000	25,000	-
Total Other Financing Sources and (Uses)	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net Change in Fund Balance	(210,321)	79,065	289,386
Fund Balance - Beginning	<u>210,321</u>	<u>130,472</u>	<u>(79,849)</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 209,537</u>	<u>\$ 209,537</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING INITIATIVE PARTNERSHIP FUND (SHIP)
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 2,783,177	\$ 3,483,761	\$ 700,584
Investment Gain (Loss)	-	8,865	8,865
Miscellaneous Revenues	658,841	1,033,124	374,283
Total Revenues	<u>3,442,018</u>	<u>4,525,750</u>	<u>1,083,732</u>
EXPENDITURES			
Current:			
Economic Environment	<u>3,442,018</u>	<u>734,803</u>	<u>2,707,215</u>
Total Expenditures	<u>3,442,018</u>	<u>734,803</u>	<u>2,707,215</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>3,790,947</u>	<u>3,790,947</u>
Net Change in Fund Balance	-	3,790,947	3,790,947
Fund Balance - Beginning	<u>-</u>	<u>2,611,187</u>	<u>2,611,187</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 6,402,134</u>	<u>\$ 6,402,134</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT TRUST FUND
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Judgments and Fines	\$ 192,153	\$ 289,977	\$ 97,824
Investment Gain (Loss)	-	(2,830)	(2,830)
Total Revenues	<u>192,153</u>	<u>287,147</u>	<u>94,994</u>
EXPENDITURES			
Current:			
Public Safety	605,049	438,565	166,484
Total Expenditures	<u>605,049</u>	<u>438,565</u>	<u>166,484</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(412,896)</u>	<u>(151,418)</u>	<u>261,478</u>
Net Change in Fund Balance	(412,896)	(151,418)	261,478
Fund Balance - Beginning	<u>412,896</u>	<u>412,896</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 261,478</u>	<u>\$ 261,478</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
ESCAMBIA COUNTY AFFORDABLE HOUSING FUND
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Gain (Loss)	\$ 33,500	\$ 12,618	\$ (20,882)
Miscellaneous Revenues	78,100	520,804	442,704
Total Revenues	<u>111,600</u>	<u>533,422</u>	<u>421,822</u>
EXPENDITURES			
Current:			
Economic Environment	1,938,472	16,574	1,921,898
Total Expenditures	<u>1,938,472</u>	<u>16,574</u>	<u>1,921,898</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,826,872)</u>	<u>516,848</u>	<u>2,343,720</u>
Net Change in Fund Balance	<u>(1,826,872)</u>	<u>516,848</u>	<u>2,343,720</u>
Fund Balance - Beginning	<u>1,826,872</u>	<u>1,829,872</u>	<u>3,000</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 2,346,720</u>	<u>\$ 2,346,720</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CDBG - HUD ENTITLEMENT FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 6,653,240	\$ 1,384,666	\$ (5,268,574)
Investment Gain (Loss)	-	2,088	2,088
Miscellaneous Revenues	354,057	-	(354,057)
Total Revenues	<u>7,007,297</u>	<u>1,386,754</u>	<u>(5,620,543)</u>
EXPENDITURES			
Current:			
Economic Environment	6,990,297	1,289,000	5,701,297
Total Expenditures	<u>6,990,297</u>	<u>1,289,000</u>	<u>5,701,297</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17,000</u>	<u>97,754</u>	<u>80,754</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(17,000)	(17,000)	-
Total Other Financing Sources and (Uses)	<u>(17,000)</u>	<u>(17,000)</u>	<u>-</u>
Net Change in Fund Balance	-	80,754	80,754
Fund Balance - Beginning	<u>-</u>	<u>460,406</u>	<u>460,406</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 541,160</u>	<u>\$ 541,160</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
HANDICAPPED PARKING FINES FUND
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Charges for Services	\$ 9,500	\$ 10,176	\$ 676
Investment Gain (Loss)	-	(2,224)	(2,224)
Total Revenues	<u>9,500</u>	<u>7,952</u>	<u>(1,548)</u>
EXPENDITURES			
Current:			
Public Safety	88,992	-	88,992
Human Services	<u>202,073</u>	<u>7,185</u>	<u>194,888</u>
Total Expenditures	<u>291,065</u>	<u>7,185</u>	<u>283,880</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(281,565)</u>	<u>767</u>	<u>282,332</u>
Net Change in Fund Balance	<u>(281,565)</u>	<u>767</u>	<u>282,332</u>
Fund Balance - Beginning	<u>281,565</u>	<u>281,565</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 282,332</u>	<u>\$ 282,332</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FAMILY MEDIATION FUND
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Gain (Loss)	\$ -	\$ (759)	\$ (759)
Total Revenues	<u>-</u>	<u>(759)</u>	<u>(759)</u>
EXPENDITURES			
Current:			
Court-Related	96,073	-	96,073
Total Expenditures	<u>96,073</u>	<u>-</u>	<u>96,073</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(96,073)</u>	<u>(759)</u>	<u>95,314</u>
Net Change in Fund Balance	(96,073)	(759)	95,314
Fund Balance - Beginning	<u>96,073</u>	<u>96,073</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 95,314</u>	<u>\$ 95,314</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FIRE PROTECTION FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Permits and Fees	\$ 95,713	\$ 118,816	\$ 23,103
Special Assessments	17,750,758	17,699,011	(51,747)
Intergovernmental Revenues	53,913	14,935	(38,978)
Charges for Services	195,700	206,000	10,300
Investment Gain (Loss)	61,750	(75,637)	(137,387)
Miscellaneous Revenues	712	31,154	30,442
Total Revenues	<u>18,158,546</u>	<u>17,994,279</u>	<u>(164,267)</u>
EXPENDITURES			
Current:			
Public Safety	22,524,473	20,506,570	2,017,903
Total Expenditures	<u>22,524,473</u>	<u>20,506,570</u>	<u>2,017,903</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,365,927)</u>	<u>(2,512,291)</u>	<u>1,853,636</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	4,444,366	4,444,366	-
Transfers (Out)	(1,893,016)	(1,893,016)	-
Total Other Financing Sources and (Uses)	<u>2,551,350</u>	<u>2,551,350</u>	<u>-</u>
Net Change in Fund Balance	(1,814,577)	39,059	1,853,636
Fund Balance - Beginning	<u>1,814,577</u>	<u>1,814,577</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 1,853,636</u>	<u>\$ 1,853,636</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
EMERGENCY 911 OPERATIONS FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 1,345,701	\$ 1,579,683	\$ 233,982
Investment Gain (Loss)	-	(6,842)	(6,842)
Miscellaneous Revenues	5,389	-	(5,389)
Total Revenues	<u>1,351,090</u>	<u>1,572,841</u>	<u>221,751</u>
EXPENDITURES			
Current:			
Public Safety	1,882,322	698,771	1,183,551
Total Expenditures	<u>1,882,322</u>	<u>698,771</u>	<u>1,183,551</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(531,232)</u>	<u>874,070</u>	<u>1,405,302</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(658,222)	(658,222)	-
Total Other Financing Sources and (Uses)	<u>(658,222)</u>	<u>(658,222)</u>	<u>-</u>
Net Change in Fund Balance	(1,189,454)	215,848	1,405,302
Fund Balance - Beginning	<u>1,189,454</u>	<u>1,189,454</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 1,405,302</u>	<u>\$ 1,405,302</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
HUD-CDBG HOUSING REHABILITATION LOAN FUND
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 38,557	\$ -	\$ (38,557)
Investment Gain (Loss)	500	74	(426)
Total Revenues	<u>39,057</u>	<u>74</u>	<u>(38,983)</u>
EXPENDITURES			
Current:			
Economic Environment	<u>77,089</u>	<u>13,359</u>	<u>63,730</u>
Total Expenditures	<u>77,089</u>	<u>13,359</u>	<u>63,730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(38,032)</u>	<u>(13,285)</u>	<u>24,747</u>
Net Change in Fund Balance	<u>(38,032)</u>	<u>(13,285)</u>	<u>24,747</u>
Fund Balance - Beginning	<u>38,032</u>	<u>38,032</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 24,747</u>	<u>\$ 24,747</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
HUD HOME FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 10,145,674	\$ 141,146	\$ (10,004,528)
Investment Gain (Loss)	-	2,579	2,579
Miscellaneous Revenues	642,676	308,269	(334,407)
Total Revenues	<u>10,788,350</u>	<u>451,994</u>	<u>(10,336,356)</u>
EXPENDITURES			
Current:			
Economic Environment	10,788,350	217,958	10,570,392
Total Expenditures	<u>10,788,350</u>	<u>217,958</u>	<u>10,570,392</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>234,036</u>	<u>234,036</u>
Net Change in Fund Balance	-	234,036	234,036
Fund Balance - Beginning	<u>-</u>	<u>724,946</u>	<u>724,946</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 958,982</u>	<u>\$ 958,982</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Taxes	\$ 4,340,086	\$ 4,340,086	\$ -
Investment Gain (Loss)	-	(76,005)	(76,005)
Total Revenues	<u>4,340,086</u>	<u>4,264,081</u>	<u>(76,005)</u>
EXPENDITURES			
Current:			
General Government	10,114,141	2,688,656	7,425,485
Total Expenditures	<u>10,114,141</u>	<u>2,688,656</u>	<u>7,425,485</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,774,055)</u>	<u>1,575,425</u>	<u>7,349,480</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	17,000	17,000	-
Total Other Financing Sources and (Uses)	<u>17,000</u>	<u>17,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(5,757,055)</u>	<u>1,592,425</u>	<u>7,349,480</u>
Fund Balance - Beginning	<u>5,757,055</u>	<u>5,757,055</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 7,349,480</u>	<u>\$ 7,349,480</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BOB SIKES TOLL FACILITIES FUND
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Charges for Services	\$ 2,557,401	\$ 2,762,019	\$ 204,618
Judgments and Fines	-	14,157	14,157
Investment Gain (Loss)	-	(39,283)	(39,283)
Miscellaneous Revenues	-	16,667	16,667
Total Revenues	<u>2,557,401</u>	<u>2,753,560</u>	<u>196,159</u>
EXPENDITURES			
Current:			
General Government	6,513,846	1,164,953	5,348,893
Total Expenditures	<u>6,513,846</u>	<u>1,164,953</u>	<u>5,348,893</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,956,445)</u>	<u>1,588,607</u>	<u>5,545,052</u>
OTHER FINANCING SOURCES			
Transfers (Out)	(1,340,750)	(1,340,750)	-
Total Other Financing Sources	<u>(1,340,750)</u>	<u>(1,340,750)</u>	<u>-</u>
Net Change in Fund Balance	(5,297,195)	247,857	5,545,052
Fund Balance - Beginning	<u>5,297,195</u>	<u>5,297,195</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 5,545,052</u>	<u>\$ 5,545,052</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION TRUST FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Taxes	\$ 8,455,000	\$ 9,514,087	\$ 1,059,087
Permits and Fees	-	750	750
Intergovernmental Revenues	5,550,953	6,078,833	527,880
Charges for Services	204,250	284,018	79,768
Investment Gain (Loss)	-	(71,600)	(71,600)
Miscellaneous Revenues	1,583,787	997,980	(585,807)
Total Revenues	<u>15,793,990</u>	<u>16,804,068</u>	<u>1,010,079</u>
EXPENDITURES			
Current:			
Public Safety	8,494,578	8,451,602	42,976
Transportation	24,604,700	21,343,342	3,261,358
Total Expenditures	<u>33,099,278</u>	<u>29,794,944</u>	<u>3,304,334</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,305,290)</u>	<u>(12,990,876)</u>	<u>4,314,413</u>
OTHER FINANCING SOURCES			
Transfers In	9,634,601	9,634,601	-
Total Other Financing Sources	<u>9,634,601</u>	<u>9,634,601</u>	<u>-</u>
Net Change in Fund Balance	(7,670,689)	(3,356,275)	4,314,413
Fund Balance - Beginning	<u>7,670,689</u>	<u>7,671,371</u>	<u>683</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 4,315,096</u>	<u>\$ 4,315,095</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MSBU ASSESSMENT PROGRAM FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Special Assessments	\$ 1,293,786	\$ 1,615,391	\$ 321,605
Intergovernmental Revenues	-	264,056	264,056
Investment Gain (Loss)	-	(18,261)	(18,261)
Total Revenues	<u>1,293,786</u>	<u>1,861,186</u>	<u>567,400</u>
EXPENDITURES			
Current:			
Transportation	2,934,887	1,235,060	1,699,827
Debt Service			
Principal Retirement	20,716	-	20,716
Interest and Fiscal Charges	13,778	120,026	(106,248)
Total Expenditures	<u>2,969,381</u>	<u>1,355,086</u>	<u>1,614,295</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,675,595)</u>	<u>506,100</u>	<u>2,181,695</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	444,853	444,853	-
Total Other Financing Sources and (Uses)	<u>444,853</u>	<u>444,853</u>	<u>-</u>
Net Change in Fund Balance	(1,230,742)	950,953	2,181,695
Fund Balance - Beginning	<u>1,230,742</u>	<u>(4,375,473)</u>	<u>(5,606,215)</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ (3,424,520)</u>	<u>\$ (3,424,520)</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MASTER DRAINAGE BASIN FUND
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Special Assessments	\$ 861,345	\$ 439,038	\$ (422,307)
Investment Gain (Loss)	-	(9,238)	(9,238)
Total Revenues	<u>861,345</u>	<u>429,800</u>	<u>(431,545)</u>
EXPENDITURES			
Current:			
Transportation	1,925,699	134,122	1,791,577
Total Expenditures	<u>1,925,699</u>	<u>134,122</u>	<u>1,791,577</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,064,354)</u>	<u>295,678</u>	<u>1,360,032</u>
Net Change in Fund Balance	(1,064,354)	295,678	1,360,032
Fund Balance - Beginning	<u>1,064,354</u>	<u>1,064,354</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 1,360,032</u>	<u>\$ 1,360,032</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CLERK PROGRAMS
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	484,000	\$ 472,189	\$ (11,811)
Charges for Services	695,000	937,241	242,241
Miscellaneous Revenues	-	482,812	482,812
Total Revenues	<u>1,179,000</u>	<u>1,892,242</u>	<u>713,242</u>
EXPENDITURES			
Current:			
Court-Related	1,217,500	730,353	487,147
Total Expenditures	<u>1,217,500</u>	<u>730,353</u>	<u>487,147</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(38,500)</u>	<u>1,161,889</u>	<u>1,200,389</u>
Net Change in Fund Balance	(38,500)	1,161,889	1,200,389
Fund Balance - Beginning	<u>38,500</u>	<u>4,653,735</u>	<u>4,615,235</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 5,815,624</u>	<u>\$ 5,815,624</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SHERIFF PROGRAMS
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental	\$ 1,183,617	\$ 834,593	\$ (349,024)
Judgments and Fines	-	915	915
Total Revenues	<u>1,183,617</u>	<u>835,508</u>	<u>(348,109)</u>
EXPENDITURES			
Current:			
Public Safety	<u>1,183,617</u>	<u>835,508</u>	<u>348,109</u>
Total Expenditures	<u>1,183,617</u>	<u>835,508</u>	<u>348,109</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SUPERVISOR OF ELECTIONS PROGRAMS
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental	\$ 50,692	\$ 27,245	\$ (23,447)
Total Revenues	<u>50,692</u>	<u>27,245</u>	<u>(23,447)</u>
EXPENDITURES			
Current:			
General Government	50,692	5,640	45,052
Total Expenditures	<u>50,692</u>	<u>5,640</u>	<u>45,052</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>21,605</u>	<u>21,605</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	-	(21,605)	(21,605)
Total Other Financing Sources and (Uses)	<u>-</u>	<u>(21,605)</u>	<u>(21,605)</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Gain (Loss)	\$ 16,000	\$ 21,559	\$ 5,559
Total Revenues	<u>16,000</u>	<u>21,559</u>	<u>5,559</u>
EXPENDITURES			
Debt Service			
Principal Retirement	5,226,000	5,785,000	(559,000)
Interest and Fiscal Charges	6,734,533	6,160,210	574,323
Bond Issuance Cost	-	-	-
Total Expenditures	<u>11,960,533</u>	<u>11,945,210</u>	<u>15,323</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,944,533)</u>	<u>(11,923,651)</u>	<u>20,882</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	11,944,533	11,944,533	-
Total Other Financing Sources and (Uses)	<u>11,944,533</u>	<u>11,944,533</u>	<u>-</u>
Net Change in Fund Balance	-	20,882	20,882
Fund Balance - Beginning	<u>-</u>	<u>365,227</u>	<u>365,227</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 386,109</u>	<u>\$ 386,109</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
September 30, 2022

	Non-LOST Capital Project	Series 2017 Capital Project	FTA Capital Projects Fund	Nonmajor Capital Projects Funds
ASSETS				
Cash and Cash Equivalents	\$ 20,980	\$ 5,095,241	\$ 240,086	\$ 5,356,307
Investments	7,792	1,892,332	89,166	1,989,290
Due from Other Governments	-	-	1,452,304	1,452,304
Total Assets	28,772	6,987,573	1,781,556	8,797,901
LIABILITIES				
Accounts Payable	-	-	1,452,563	1,452,563
Contracts Payable	-	3,437,990	-	3,437,990
Total Liabilities	-	3,437,990	1,452,563	4,890,553
FUND BALANCES				
Restricted for:				
Jail Facility	-	3,549,583		3,549,583
Mass Transit Capital	-	-	328,993	328,993
Parks and Recreation	28,772	-	-	28,772
Total Fund Balances	28,772	3,549,583	328,993	3,907,348
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 28,772	\$ 6,987,573	\$ 1,781,556	\$ 8,797,901

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2022

	Non-LOST Capital Projects	Series 2017 Capital Project	FTA Capital Projects Fund	Total Nonmajor Capital Projects Funds
REVENUES				
Intergovernmental Revenues	\$ 157,500	\$ -	\$ 2,264,135	\$ 2,421,635
Investment Gain (Loss)	(806)	19,136	760	19,090
Miscellaneous Revenues	-	-	3,800	3,800
Total Revenues	156,694	19,136	2,268,695	2,444,525
EXPENDITURES				
Current:				
Transportation		-	261,434	261,434
Capital Outlay	127,922	75,131	2,038,259	2,241,312
Total Expenditures	127,922	75,131	2,299,693	2,502,746
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,772	(55,995)	(30,998)	(58,221)
Net Change in Fund Balances	28,772	(55,995)	(30,998)	(58,221)
Fund Balances - Beginning	-	3,605,578	359,991	3,965,569
Fund Balances - Ending	\$ 28,772	\$ 3,549,583	\$ 328,993	\$ 3,907,348

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NON-LOST CAPITAL PROJECTS
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 835,755	\$ 157,500	\$ (678,255)
Investment Gain (Loss)	-	(806)	(806)
Total Revenues	<u>835,755</u>	<u>156,694</u>	<u>(679,061)</u>
EXPENDITURES			
Capital Outlay	<u>1,083,255</u>	<u>127,922</u>	<u>955,333</u>
Total Expenditures	<u>1,083,255</u>	<u>127,922</u>	<u>955,333</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(247,500)</u>	<u>28,772</u>	<u>276,272</u>
Net Change in Fund Balance	<u>(247,500)</u>	<u>28,772</u>	<u>276,272</u>
Fund Balance - Beginning	<u>247,500</u>	<u>-</u>	<u>(247,500)</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 28,772</u>	<u>\$ 28,772</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SERIES 2017 CAPITAL PROJECT FUND
For the Year Ended September 30, 2022

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
REVENUES			
Investment Gain (Loss)	\$ -	\$ 19,136	\$ 19,136
Total Revenues	<u>-</u>	<u>19,136</u>	<u>19,136</u>
EXPENDITURES			
Current:			
Capital Outlay	3,536,156	75,131	3,461,025
Total Expenditures	<u>3,536,156</u>	<u>75,131</u>	<u>3,461,025</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,536,156)</u>	<u>(55,995)</u>	<u>3,480,161</u>
Net Change in Fund Balance	<u>(3,536,156)</u>	<u>(55,995)</u>	<u>3,480,161</u>
Fund Balance - Beginning	<u>3,536,156</u>	<u>3,605,578</u>	<u>69,422</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 3,549,583</u>	<u>\$ 3,549,583</u>

ESCAMBIA COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FTA CAPITAL PROJECT FUND
For the Year Ended September 30, 2022

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	\$ 8,077,276	\$ 2,264,135	\$ (5,813,141)
Investment Gain (Loss)	-	760	760
Miscellaneous Revenues	-	3,800	3,800
Total Revenues	<u>8,077,276</u>	<u>2,268,695</u>	<u>(5,808,581)</u>
EXPENDITURES			
Current:			
Transportation	1,298,621	261,434	1,037,187
Capital Outlay	<u>6,778,655</u>	<u>2,038,259</u>	<u>4,740,396</u>
Total Expenditures	<u>8,077,276</u>	<u>2,299,693</u>	<u>5,777,583</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(30,998)</u>	<u>(30,998)</u>
Net Change in Fund Balance	<u>-</u>	<u>(30,998)</u>	<u>(30,998)</u>
Fund Balance - Beginning	<u>-</u>	<u>359,991</u>	<u>359,991</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 328,993</u>	<u>\$ 328,993</u>

NONMAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Proprietary funds are used to account for Business-Type activities. The focus is on the determination of operating income, changes in net position (or cost recovery), financial position and cash flows.

Inspection Fund

Used to account for building inspection services provided to the residents of Escambia County.

Bay Center Fund

Used to account for the operation, maintenance and improvements of the Pensacola Bay Center.

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
September 30, 2022

	Business-type Activities - Enterprise Funds		
	Inspection	Bay Center	
	Fund	Fund	Totals
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 8,027,924	\$ 2,629,003	\$ 10,656,927
Investments	2,981,247	267,260	3,248,507
Accounts Receivable, Net of Allowance for Uncollectable Accounts	-	127,032	127,032
Inventories	-	106,097	106,097
Prepaid Items	-	29,257	29,257
Total Current Assets	11,009,171	3,158,649	14,167,820
Capital Assets:			
Buildings	-	27,133,827	27,133,827
Improvements Other than Buildings	-	3,094,463	3,094,463
Machinery, Equipment and Vehicles	506,354	1,729,772	2,236,126
Less: Accumulated Depreciation	(306,769)	(29,181,368)	(29,488,137)
Total Capital Assets (Net)	199,585	2,776,694	2,976,279
Total Noncurrent Assets	199,585	2,776,694	2,976,279
Total Assets	11,208,756	5,935,343	17,144,099
DEFERRED OUTFLOW OF RESOURCES			
Pension Cost and Subsequent Contributions	492,701	-	492,701
OPEB Cost and Subsequent Contributions	12,085	-	12,085
Total deferred outflow of resources	504,786	-	504,786

Continued

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION - Continued
NONMAJOR PROPRIETARY FUNDS
September 30, 2022

	Business-type Activities - Enterprise Funds		
	Inspection	Bay Center	
	Fund	Fund	Totals
LIABILITIES			
Current Liabilities:			
Accounts Payable	28,798	638,488	667,286
Accrued Liabilities	78,680		78,680
Compensated Absences Payable	40,227	-	40,227
Due to Other Governments	229	-	229
Deposits	53,774	-	53,774
Other Current liabilities	-	1,226,150	1,226,150
Total Current Liabilities	201,708	1,864,638	2,066,346
Noncurrent Liabilities:			
Compensated Absences Payable	362,040	-	362,040
Other Post Employment Benefits	173,198	-	173,198
Net Pension Liability Proportionate Share	1,680,420	-	1,680,420
Total Noncurrent Liabilities	2,215,658	-	2,215,658
Total Liabilities	2,417,366	1,864,638	4,282,004
DEFERRED INFLOW OF RESOURCES			
Unamortized Pension Costs	152,185	-	152,185
Unamortized OPEB Costs	32,007	-	32,007
Total deferred inflow of resources	184,192	-	184,192
NET POSITION			
Net Investment in Capital Assets	199,585	2,776,694	2,976,279
Unrestricted	8,912,399	1,294,011	10,206,410
Total Net Position	\$ 9,111,984	\$ 4,070,705	\$ 13,182,689

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds		
	Inspection Fund	Bay Center Fund	Total
Operating Revenues:			
Charges for Services	\$ 5,445,022	\$ 5,971,351	\$ 11,416,373
Miscellaneous Revenues	140,869	2,678	143,547
Total Operating Revenues	5,585,891	5,974,029	11,559,920
Operating Expenses:			
Personal Services	2,849,045	-	2,849,045
Contracted Services	149,797	6,458,948	6,608,745
Supplies and Materials	15,276	-	15,276
Repairs and Maintenance	52,989	27,425	80,414
Other Services and Charges	434,541	-	434,541
Depreciation	58,852	760,033	818,885
Premiums/Claims Expense	11,604	191,494	203,098
Total Operating Expenses	3,572,104	7,437,900	11,010,004
Operating Income (Loss)	2,013,787	(1,463,871)	549,916
Nonoperating Revenues (Expenses):			
Grants	-	-	-
Investment Gain (Loss)	(75,840)	(2,532)	(78,372)
Gain (Loss) on Disposal of Capital Assets	567	-	567
Total Nonoperating Revenues (Expenses)	(75,273)	(2,532)	(77,805)
Income Before Transfers and Contributions	1,938,514	(1,466,403)	472,111
Transfer In	-	1,500,000	1,500,000
Capital Contributions	-	75,000	75,000
Change in Net Position	1,938,514	108,597	2,047,111
Net Position - Beginning	7,173,470	3,962,108	11,135,578
Net Position - Ending	\$ 9,111,984	\$ 4,070,705	\$ 13,182,689

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds		
	Inspection Fund	Bay Center Fund	Total
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 5,593,172	\$ 6,273,833	\$ 11,867,005
Payments to suppliers	(655,624)	(6,730,235)	(7,385,859)
Payments to employees	(2,773,171)	-	(2,773,171)
Net Cash Provided (Used) by Operating Activities	2,164,377	(456,402)	1,707,975
Cash Flows from Noncapital Financing Activities			
Transfers from other funds	-	1,500,000	1,500,000
Net Cash Provided (Used) by Noncapital Financing Activities	-	1,500,000	1,500,000
Cash Flows from Capital and Related Financing Activities			
Acquisition/construction of capital assets	452	75,000	75,452
Proceeds from disposal of capital assets	567	-	567
Net Cash (Used) by Capital and Related Financing Activities	1,019	75,000	76,019
Cash Flows from Investing Activities			
Sale (purchase) of investments	240,542	(28,666)	211,876
Interest received (loss)	(75,840)	(2,532)	(78,372)
Net Cash Provided (Used) by Investing Activities	164,702	(31,198)	133,504
Net Increase (Decrease) in Cash and Cash Equivalents	2,330,098	1,087,400	3,417,498
Cash and cash equivalents at beginning of year	5,697,826	1,541,603	7,239,429
Cash and cash equivalents at end of year	<u>\$ 8,027,924</u>	<u>\$ 2,629,003</u>	<u>\$ 10,656,927</u>
Cash and Cash Equivalents Classified As:			
Current assets	\$ 8,027,924	\$ 2,629,003	\$ 10,656,927
Total Cash and Cash Equivalents	<u>\$ 8,027,924</u>	<u>\$ 2,629,003</u>	<u>\$ 10,656,927</u>

Continued

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS - Continued
NONMAJOR PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds		
	Inspection Fund	Bay Center Fund	Total
Reconciliation of operating Income (loss) to net Cash Provided by (used for) operating activities			
Operating income (loss)	\$ 2,013,787	\$ (1,463,871)	\$ 549,916
Depreciation expense	58,852	760,033	818,885
Change in Assets and Liabilities:			
(Increase) Decrease in accounts receivable	-	(53,372)	(53,372)
(Increase) Decrease in due from other governments	-	-	-
(Increase) Decrease in inventories	-	(33,690)	(33,690)
(Increase) Decrease in prepaids	-	(24,338)	(24,338)
(Increase) Decrease in prepaid landfill fees	-	-	-
Increase (Decrease) in accounts payable	8,407	5,660	14,067
Increase (Decrease) in contracts payable	-	-	-
Increase (Decrease) in accrued liabilities	(58,355)	-	(58,355)
Increase (Decrease) in due to other funds	-	-	-
Increase (Decrease) in due to other governments	176	-	176
Increase (Decrease) in customer deposits	7,281	-	7,281
Increase (Decrease) in unearned revenue	-	-	-
Increase (Decrease) in other current liabilities	-	353,176	353,176
Increase (Decrease) in compensated absences	72,093	-	72,093
Increase (Decrease) in post employment benefits related deferred outflows/inflows of resources	52,916	-	52,916
Increase (Decrease) in net pension liability and related deferred outflows/inflows of resources	9,220	-	9,220
Total Adjustments	150,590	1,007,469	1,158,059
Net Cash Provided by (Used for) Operating Activities	\$ 2,164,377	\$ (456,402)	\$ 1,707,975
Schedule of non-cash capital activities:			
Contributions of capital assets	\$ -	\$ 75,000	\$ 75,000

BUSINESS -TYPE FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component unit, or to other governments, on a cost-reimbursement basis.

Board of County Commissioners - ISF

Used to account for risk management services, garage and fuel services provided to County departments, and for the administration of employee benefits.

Clerk of Circuit Court and Comptroller - ISF

Used to account for annual costs related to compensated absence policy and activities for the Court Related employees of the Clerk of the Circuit Court and Comptroller's Office.

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2022

	Governmental Activities- Internal Service Funds		
	BCC Internal	Clerk	
	Service Fund	Internal	Totals
		Service Fund	
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 16,937,571	\$ 743,051	\$ 17,680,622
Investments	6,221,436	-	6,221,436
Accounts Receivable, Net of Allowance for Uncollectable Accounts	1,133,503	-	1,133,503
Due from Other Funds	296,320	-	296,320
Inventories	458,306	-	458,306
Total Current Assets	25,047,136	743,051	25,790,187
Noncurrent Assets:			
Capital Assets:			
Buildings	399,564	-	399,564
Improvements Other than Buildings	937,373	-	937,373
Machinery, Equipment and Vehicles	179,321	-	179,321
Less: Accumulated Depreciation	(1,171,996)	-	(1,171,996)
Total Capital Assets (Net)	344,262	-	344,262
Total Noncurrent Assets	344,262	-	344,262
Total Assets	25,391,398	743,051	26,134,449
DEFERRED OUTFLOW OF RESOURCES			
Unamortized Pension Cost and Subsequent Contributions	180,866	-	180,866
Unamortized OPEB Cost and Subsequent Contributions	5,671	-	5,671
Total deferred outflow of resources	186,537	-	186,537

Continued

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION - Continued
INTERNAL SERVICE FUNDS
September 30, 2022

	Governmental Activities- Internal Service funds		
	BCC Internal	Clerk	
	Service Fund	Internal	Totals
		Service Fund	
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 5,299,130	\$ -	5,299,130
Accrued Liabilities	35,604	-	35,604
Compensated Absences Payable	17,583	74,305	91,888
Estimated Claims Payable	2,973,000	-	2,973,000
Due to Other Governments	43	-	43
Deposits	47,339	-	47,339
Total Current Liabilities	<u>8,372,699</u>	<u>74,305</u>	<u>8,447,004</u>
Noncurrent Liabilities:			
Compensated Absences Payable	158,243	668,746	826,989
Other Post Employment Benefits	81,279	-	81,279
Net Pension Liability	652,757	-	652,757
Estimated Claims Payable	5,662,000	-	5,662,000
Total Noncurrent Liabilities	<u>6,554,279</u>	<u>668,746</u>	<u>7,223,025</u>
Total Liabilities	<u>14,926,978</u>	<u>743,051</u>	<u>15,670,029</u>
DEFERRED INFLOW OF RESOURCES			
Unamortized Pension Costs	164,552	-	164,552
Unamortized OPEB Costs	15,020	-	15,020
Total deferred inflow of resources	<u>179,572</u>	<u>-</u>	<u>179,572</u>
NET POSITION			
Net Investment in Capital Assets	344,262	-	344,262
Unrestricted	10,127,123	-	10,127,123
Total Net Position	<u><u>\$ 10,471,385</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 10,471,385</u></u>

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2022

	Governmental Activities- Internal Service Funds		
	BCC Internal Service Fund	Clerk Internal Service Fund	Total
Operating Revenues:			
Charges for Services	\$ 47,449,402	\$ 167,809	\$ 47,617,211
Total Operating Revenues	47,449,402	167,809	47,617,211
Operating Expenses:			
Personal Services	1,248,466	167,809	1,416,275
Claims Incurred and Changes in Estimate	1,944,435	-	1,944,435
Repairs and Maintenance	29,836	-	29,836
Other Services and Charges	7,476,179	-	7,476,179
Depreciation	68,132	-	68,132
Premiums/Claims Expense	31,235,587	-	31,235,587
Total Operating Expenses	42,002,635	167,809	42,170,444
Operating Income (Loss)	5,446,767	-	5,446,767
Nonoperating Revenues (Expenses):			
Investment Gain (Loss)	(105,455)	-	(105,455)
Total Nonoperating Revenues (Expenses)	(105,455)	-	(105,455)
Income Before Transfers and Contributions	5,341,312	-	5,341,312
Change in Net Position	5,341,312	-	5,341,312
Net Position - Beginning	5,130,073	-	5,130,073
Net Position - Ending	\$ 10,471,385	\$ -	\$ 10,471,385

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2022

	Governmental Activities- Internal Service Funds		
	BCC Internal Service Fund	Clerk Internal Service Fund	Total
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 4,653,189	\$ -	\$ 4,653,189
Receipts from interfund risk/benefits management	36,078,604	(97,838)	35,980,766
Receipts from interfund fleet/fuel management	5,713,414	-	5,713,414
Payments to suppliers	(39,150,032)	-	(39,150,032)
Payments to employees	(763,618)	-	(763,618)
Net Cash Provided (Used) by Operating Activities	6,531,557	(97,838)	6,433,719
Cash Flows from Noncapital Financing Activities			
Advances due to/from other funds	104,126	-	104,126
Net Cash Provided (Used) by Noncapital Financing Activities	104,126	-	104,126
Cash Flows from Investing Activities			
Sale (purchase) of investments	(276,288)	-	(276,288)
Interest received (loss)	(105,455)	-	(105,455)
Net Cash Provided (Used) by Investing Activities	(381,743)	-	(381,743)
Net Increase (Decrease) in Cash and Cash Equivalents	6,253,940	(97,838)	6,156,102
Cash and cash equivalents at beginning of year	10,683,631	840,889	11,524,520
Cash and Cash Equivalents at End of Year	\$ 16,937,571	\$ 743,051	\$ 17,680,622
Cash and Cash Equivalents Classified As:			
Current assets	\$ 16,937,571	\$ 743,051	\$ 17,680,622
Total Cash and Cash Equivalents	\$ 16,937,571	\$ 743,051	\$ 17,680,622

Continued

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS - Continued
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2022

	Governmental Activities - Internal Service Funds		
	BCC Internal Service Fund	Clerk Internal Service Fund	Total
Reconciliation of operating Income (loss) to net Cash Provided by (used for) operating activities			
Operating Income (loss)	\$ 5,446,767	\$ -	\$ 5,446,767
Depreciation expense	68,132	-	68,132
Change in Assets and Liabilities:			
(Increase) Decrease in accounts receivable	(494,617)	-	(494,617)
(Increase) Decrease in inventories	(40,006)	-	(40,006)
Increase (Decrease) in accounts payable	1,912,005	-	1,912,005
Increase (Decrease) in accrued liabilities	(33,053)	-	(33,053)
Increase (Decrease) in due to other governments	6	-	6
Increase (Decrease) in customer deposits	(6,370)	-	(6,370)
Increase (Decrease) in compensated absences	5,172	(97,838)	(92,666)
Increase (Decrease) in post employment benefits related deferred outflows/inflows of resources	5,463	-	5,463
Increase (Decrease) in net pension liability and related deferred outflows/inflows of resources	4,058	-	4,058
Increase (Decrease) in claims payable	(336,000)	-	(336,000)
Total Adjustments	1,084,790	(97,838)	986,952
Net Cash Provided by (Used for) Operating Activities	\$ 6,531,557	\$ (97,838)	\$ 6,433,719

FIDUCIARY FUNDS

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the County as custodian for individuals, private organizations, and other governments.

Clerk of the Circuit Court and Comptroller

Used to account for resources received and held by the Clerk in a fiduciary capacity. These resources represent fines, forfeitures and filing fees collected for other governmental agencies and support payments, jury and witness services and posted bonds collected for individuals.

Sheriff

Used to account for the assets held by the Sheriff for individuals such as prisoner's funds, confiscated monies held as evidence, and prepayments of the Sheriff's fees for serving papers.

Tax Collector

Used to account for property taxes and fees for licenses.

Escambia County Inmate Trust

Used to account for the assets held by the Escambia County Board of County Commissioners for prisoner's funds, held for use by the individual inmates.

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2022

	Clerk General Custodial	Sheriff General Custodial	Tax Collector General Custodial	County Inmate Trust Custodial	Totals
ASSETS					
Cash and cash equivalents	\$ 10,117,661	\$ 377,253	\$ 4,902,196	\$ 337,902	\$ 15,735,012
Accounts Receivable	-	-	639,762	-	639,762
Total Assets	<u>10,117,661</u>	<u>377,253</u>	<u>5,541,958</u>	<u>337,902</u>	<u>16,374,774</u>
LIABILITIES					
Accounts Payable:					
Cash bond payable	22,233	-	-	-	22,233
Court registry payable	348,225	-	-	-	348,225
Real auction payable	113,574	-	-	-	113,574
Due to individuals	-	-	328,505	-	328,505
Due to other governments	-	8,568	5,213,453	-	5,222,021
Other liabilities	3,030	-	-	-	3,030
Total Liabilities	<u>487,062</u>	<u>8,568</u>	<u>5,541,958</u>	<u>-</u>	<u>6,037,588</u>
NET POSITION					
Restricted for:					
Cash bonds	838,043	-	-	-	838,043
Court registry	8,727,540	-	-	-	8,727,540
Witness/Jury	36,275	-	-	-	36,275
Restitution	22,275	-	-	-	22,275
General trust	6,466	-	-	-	6,466
Employee events	-	17,518	-	-	17,518
Evidence	-	351,167	-	-	351,167
Inmate trust	-	-	-	337,902	337,902
Total Net Fiduciary Position	<u>\$ 9,630,599</u>	<u>\$ 368,685</u>	<u>\$ -</u>	<u>\$ 337,902</u>	<u>\$ 10,337,186</u>

ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2022

	Clerk General Custodial	Sheriff General Custodial	Tax Collector General Custodial	County Inmate Trust Custodial	Totals
ADDITIONS					
Deposits in court registry	\$ 21,311,072	\$ -	\$ -	\$ -	\$ 21,311,072
Deposits for real auction	3,359,839	-	-	-	3,359,839
Deposits for jurors	4,801	-	-	-	4,801
Deposits for restitution	206,267	-	-	-	206,267
Payments from State	66,744	-	-	-	66,744
Deposits for bonds	987,472	-	-	-	987,472
Deposits for overpayments	646,528	-	-	-	646,528
Evidence collected	-	398,319	-	-	398,319
Civil process fees	-	309,412	-	-	309,412
Contributions from employees	-	20,529	-	-	20,529
Collections of taxes on behalf of other entities	-	-	347,723,537	-	347,723,537
Collections of fees on behalf of other entities	-	-	30,612,557	-	30,612,557
Other	-	-	125,603	-	125,603
Deposits from inmates	-	-	-	4,311,582	4,311,582
Total Additions	26,582,723	728,260	378,461,697	4,311,582	410,084,262
DEDUCTIONS					
Release of bonds	574,606	-	-	-	574,606
Refunds of overpayments	646,555	-	-	-	646,555
Payment for jurors and witnesses	61,614	-	-	-	61,614
Payments to victims	208,362	-	-	-	208,362
Auction refunds	2,719,475	-	-	-	2,719,475
Court ordered disbursements	20,819,788	-	-	-	20,819,788
Evidence returned to defendant	-	434,729	-	-	434,729
Payment to BOCC for law enforcement trust	-	45,543	-	-	45,543
Payment to BOCC per statutes	-	210,778	-	-	210,778
Payments of taxes to other entities	-	-	347,801,793	-	347,801,793
Other payments	-	130,030	30,659,904	-	30,789,934
Refunds to inmates	-	-	-	232,489	232,489
Disbursements to commissary vendor	-	-	-	4,089,917	4,089,917
Total Deductions	25,030,400	821,080	378,461,697	4,322,406	408,635,583
Changes in net position	1,552,323	(92,820)	-	(10,824)	1,448,679
Net position-beginning	8,078,276	461,505	-	348,726	8,888,507
Net position- ending	\$ 9,630,599	\$ 368,685	\$ -	\$ 337,902	\$ 10,337,186





Statistical Section

This part of the Escambia County, Florida's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant years.



Schedule 1
Escambia County, Florida

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Governmental activities				
Net investment in capital assets	\$ 603,173	\$ 581,076	\$ 564,809	\$ 535,721
Restricted	264,879	205,956	176,898	163,964
Unrestricted	(120,335)	(174,697)	(148,494)	(135,138)
Total governmental activities net position	<u>747,717</u>	<u>612,335</u>	<u>593,213</u>	<u>564,547</u>
Business-type activities				
Net investment in capital assets	50,281	47,457	48,423	51,369
Unrestricted	<u>55,127</u>	<u>47,872</u>	<u>30,023</u>	<u>21,648</u>
Total business-type activities net position	<u>105,408</u>	<u>95,329</u>	<u>78,446</u>	<u>73,017</u>
Primary government				
Net investment in capital assets	653,454	628,533	613,232	587,090
Restricted	264,879	205,956	176,898	163,964
Unrestricted	(65,208)	(126,825)	(118,471)	(113,490)
Total primary government net position	<u>\$ 853,125</u>	<u>\$ 707,664</u>	<u>\$ 671,659</u>	<u>\$ 637,564</u>

* As restated for change in Accounting Principle

Continued next page

<u>2018</u>	<u>2017*</u>	<u>2016</u>	<u>2015</u>	<u>2014*</u>	<u>2013</u>
\$ 482,496	\$ 463,840	\$ 437,792	\$ 436,375	\$ 442,851	\$ 452,717
162,236	164,972	155,972	128,529	64,981	102,728
(107,680)	(110,792)	(68,495)	(58,603)	(22,759)	15,359
<u>537,052</u>	<u>518,020</u>	<u>525,269</u>	<u>506,301</u>	<u>485,073</u>	<u>570,804</u>
50,808	49,735	47,463	51,827	50,952	52,502
22,482	25,238	26,377	17,218	13,816	15,992
<u>73,290</u>	<u>74,973</u>	<u>73,840</u>	<u>69,045</u>	<u>64,768</u>	<u>68,494</u>
533,304	513,575	485,255	488,202	493,803	505,219
162,236	164,972	155,972	128,529	64,981	102,728
(85,198)	(85,554)	(42,118)	(41,384)	(8,943)	31,351
<u>\$ 610,342</u>	<u>\$ 592,993</u>	<u>\$ 599,109</u>	<u>\$ 575,347</u>	<u>\$ 549,841</u>	<u>\$ 639,298</u>

Schedule 2
Escambia County, Florida

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

Expenses	Fiscal Year			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Governmental activities:				
General government	\$ 82,812	\$ 59,152	\$ 75,101	\$ 74,074
Public Safety	199,495	195,543	163,052	170,752
Physical environment	6,098	7,567	4,389	6,048
Transportation	53,726	59,548	50,658	50,356
Economic environment	20,995	13,307	12,744	14,642
Human services	6,576	38,122	29,335	4,086
Culture and recreation	10,955	12,738	11,078	11,408
Court related	14,651	17,750	12,314	12,530
Interest	5,677	5,813	6,029	6,621
Total governmental activities expenses	<u>400,985</u>	<u>409,540</u>	<u>364,700</u>	<u>350,517</u>
Business-type activities:				
Solid waste	13,763	10,906	11,679	11,556
Emergency medical services	19,256	14,526	14,031	16,207
Inspection fund	3,572	2,929	2,778	2,619
Bay Center	7,438	4,858	5,686	7,562
Total business-type activities expenses	<u>44,029</u>	<u>33,219</u>	<u>34,174</u>	<u>37,944</u>
Total primary government expenses	<u>\$ 445,014</u>	<u>\$ 442,759</u>	<u>\$ 398,874</u>	<u>\$ 388,461</u>
Program Revenues				
Governmental activities:				
Charges for services				
General government	42,620	6,936	5,655	5,821
Public safety	21,626	21,510	21,785	21,952
Physical environment	18,654	18,421	17,273	17,006
Transportation	7,357	6,380	5,271	6,952
Economic environment	1,862	1,062	693	643
Culture/recreation	380	442	380	457
Court related	10,232	13,122	10,461	11,718
Operating grants and contributions	97,828	59,844	41,265	17,244
Capital grants and contributions	13,978	8,062	17,429	37,113
Total governmental activities program revenue	<u>214,537</u>	<u>135,779</u>	<u>120,212</u>	<u>118,906</u>
Business-type activities:				
Charges for services				
Solid waste	19,994	23,266	17,069	16,075
Emergency medical services	20,343	16,502	15,010	11,863
Inspection fund	5,445	5,833	3,851	2,977
Bay Center	5,972	2,643	3,245	5,489
Operating grants and contributions		454	114	-
Capital grants and contributions	2,224	936	592	305
Total business-type activities program revenue	<u>53,978</u>	<u>49,634</u>	<u>39,881</u>	<u>36,709</u>
Total primary government program revenues	<u>\$ 268,515</u>	<u>\$ 185,413</u>	<u>\$ 160,093</u>	<u>\$ 155,615</u>
Net (Expense)/Revenue				
Governmental activities	\$ (186,448)	\$ (273,761)	\$ (244,488)	\$ (231,611)
Business-type activities	9,949	16,415	5,707	(1,235)
Total primary government net expense	<u>\$ (176,499)</u>	<u>\$ (257,346)</u>	<u>\$ (238,781)</u>	<u>\$ (232,846)</u>

Continued next page

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 69,239	\$ 71,637	\$ 59,270	\$ 52,406	\$ 63,252	\$ 74,163
154,065	148,553	146,708	127,345	127,213	107,598
5,831	2,855	2,736	2,423	1,618	2,057
49,239	48,569	56,118	51,235	48,542	52,130
15,180	14,088	12,461	11,486	12,139	11,274
3,011	2,679	2,602	2,689	2,462	2,493
14,177	9,957	10,248	9,140	8,930	4,464
11,426	12,583	11,686	12,955	11,215	10,152
6,491	4,574	3,277	3,441	3,392	3,058
328,659	315,495	305,106	273,120	278,763	267,389
10,443	10,110	10,143	9,956	9,919	9,988
15,099	13,616	12,678	10,978	10,796	9,912
2,594	2,500	2,435	2,187	2,079	1,876
7,153	7,006	6,837	6,685	6,560	6,583
35,289	33,232	32,093	29,806	29,354	28,359
\$ 363,948	\$ 348,727	\$ 337,199	\$ 302,926	\$ 308,117	\$ 295,748
5,551	5,378	4,933	4,471	4,273	4,285
21,538	22,684	19,472	17,998	17,947	17,725
16,897	15,806	15,707	17,732	14,935	13,582
6,747	7,053	6,854	6,746	6,509	6,249
766	382	581	270	380	321
435	514	520	522	494	380
11,449	12,316	11,559	11,543	10,021	6,674
27,145	19,187	24,286	18,434	18,946	19,239
16,103	9,856	8,255	8,104	10,655	4,813
106,631	93,176	92,167	85,820	84,160	73,268
14,998	15,373	15,141	13,485	13,618	11,998
12,773	10,963	12,832	12,013	12,158	11,454
2,890	2,622	2,581	2,262	2,299	2,091
5,101	4,564	4,975	4,409	4,558	3,905
-	-	-	-	103	2
125	155	161	735	131	1,556
35,887	33,677	35,690	32,904	32,867	31,006
\$ 142,518	\$ 126,853	\$ 127,857	\$ 118,724	\$ 117,027	\$ 104,274
\$ (222,028)	\$ (222,319)	\$ (212,939)	\$ (187,300)	\$ (194,603)	\$ (194,121)
598	445	3,597	3,098	3,513	2,647
\$ (221,430)	\$ (221,874)	\$ (209,342)	\$ (184,202)	\$ (191,090)	\$ (191,474)

Schedule 2
Escambia County, Florida

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	Fiscal Year			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	\$ 151,003	\$ 142,198	\$ 133,240	\$ 124,916
Sales tax	103,511	91,118	74,176	75,533
Gasoline taxes	19,534	19,343	17,898	19,040
Tourist development tax	21,816	17,672	9,759	12,333
Other taxes and payments in lieu of taxes	4,605	4,702	4,636	4,734
Intergovernmental-unrestricted	13,170	10,274	8,819	9,414
Investment income	(1,764)	1,541	6,648	9,525
Gain (loss) on sale of capital assets				
Miscellaneous	10,449	6,228	16,370	2,987
Gain (loss) on sale of capital assets				
Transfers - internal activities	(494)	(193)	1,608	624
Special Item		-	-	-
Total general revenues and transfers	<u>321,830</u>	<u>292,883</u>	<u>273,154</u>	<u>259,106</u>
Business-type activities:				
Investment income	(548)	111	1,168	1,417
Gain (loss) on sale of capital assets		-	-	-
Miscellaneous	184	164	162	169
Capital contributions		-	-	-
Transfers - internal activities	494	193	(1,608)	(624)
Total business-type activities	<u>130</u>	<u>468</u>	<u>(278)</u>	<u>962</u>
Total primary government	<u><u>\$ 321,960</u></u>	<u><u>\$ 293,351</u></u>	<u><u>\$ 272,876</u></u>	<u><u>\$ 260,068</u></u>
Change in Net Position				
Governmental activities	\$ 135,382	\$ 19,122	\$ 28,666	\$ 27,495
Business-type activities	10,079	16,883	5,429	(273)
Total change in net position	<u><u>\$ 145,461</u></u>	<u><u>\$ 36,005</u></u>	<u><u>\$ 34,095</u></u>	<u><u>\$ 27,222</u></u>

Continued next page

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 116,325	\$ 110,051	\$ 109,691	\$ 108,848	\$ 101,076	\$ 93,789
72,004	66,762	64,634	62,074	59,450	56,515
18,890	18,797	18,178	17,507	16,107	12,621
11,361	10,598	9,956	9,160	8,396	7,801
4,849	4,789	4,759	5,961	6,028	7,865
8,889	8,522	8,216	7,987	7,408	7,024
3,421	2,135	2,805	2,659	1,348	390
	-	-	-	-	-
2,645	2,908	4,677	6,528	8,131	4,249
	-	-	(11,481)	-	-
2,677	(744)	(697)	(715)	(763)	(907)
-	-	9,689	-	-	-
<u>241,061</u>	<u>223,818</u>	<u>231,908</u>	<u>208,528</u>	<u>207,181</u>	<u>189,347</u>
322	258	416	386	177	53
-	-	-	-	-	-
75	43	83	79	400	104
-	-	-	-	-	-
(2,678)	744	697	715	763	907
<u>(2,281)</u>	<u>1,045</u>	<u>1,196</u>	<u>1,180</u>	<u>1,340</u>	<u>1,064</u>
<u>\$ 238,780</u>	<u>\$ 224,863</u>	<u>\$ 233,104</u>	<u>\$ 209,708</u>	<u>\$ 208,521</u>	<u>\$ 190,411</u>
\$ 19,033	\$ 1,499	\$ 18,969	\$ 21,228	\$ 12,578	\$ (4,774)
(1,683)	1,490	4,793	4,278	4,853	1,064
<u>\$ 17,350</u>	<u>\$ 2,989</u>	<u>\$ 23,762</u>	<u>\$ 25,506</u>	<u>\$ 17,431</u>	<u>\$ (3,710)</u>

Schedule 3
Escambia County, Florida

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	Fiscal Year			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
General Fund:				
Nonspendable	\$ 934	\$ 962	\$ 888	\$ 727
Restricted				
Committed				
Assigned	51,671	40,687	20,268	18,484
Unassigned	25,711	40,526	58,390	29,037
Total general fund	<u>78,316</u>	<u>82,175</u>	<u>79,546</u>	<u>48,248</u>
All Other Governmental Funds:				
Nonspendable	\$ 640	\$ 579	\$ 542	\$ 334
Restricted	263,730	204,839	177,139	208,757
Committed	15,149	17,546	15,452	17,393
Assigned	-	-	-	-
Unassigned	(3,425)	(62,564)	(16,548)	(6,585)
Total all other governmental funds	<u>276,094</u>	<u>160,400</u>	<u>176,585</u>	<u>219,899</u>
Total all governmental funds	<u><u>\$ 354,410</u></u>	<u><u>\$ 242,575</u></u>	<u><u>\$ 256,131</u></u>	<u><u>\$ 268,147</u></u>

Continued next page

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 753	\$ 694	\$ 644	\$ 4,292	\$ 4,367	\$ 4,805
	-	-	-	-	52
	-	-	-	-	-
15,268	16,297	18,952	17,911	10,073	8,402
34,190	30,149	27,682	25,536	23,647	19,361
<u>50,211</u>	<u>47,140</u>	<u>47,278</u>	<u>47,739</u>	<u>38,087</u>	<u>32,620</u>
\$ 501	563	17,954	10,118	5,609	2,567
239,658	244,779	138,898	124,568	123,349	99,764
17,377	17,115	14,916	16,121	14,267	13,545
-	-	-	-	-	-
(9,546)	(9,820)	(8,204)	(6,240)	(3,836)	(3,980)
<u>247,990</u>	<u>252,637</u>	<u>163,564</u>	<u>144,567</u>	<u>139,389</u>	<u>111,896</u>
<u>\$ 298,201</u>	<u>\$ 299,777</u>	<u>\$ 210,842</u>	<u>\$ 192,306</u>	<u>\$ 177,476</u>	<u>\$ 144,516</u>

Schedule 4

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	Fiscal Year			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
REVENUES				
Taxes	\$ 257,873	\$ 235,745	\$ 206,601	\$ 202,217
Permits, fees and special assessments	54,191	20,754	20,017	19,392
Franchise fees	16,596	16,058	15,597	15,464
Intergovernmental revenue	159,764	113,614	98,485	94,857
Charges for services	26,225	25,856	20,731	24,949
Fines and forfeits	2,901	2,844	2,441	2,516
Investment Gain (Loss)	(1,658)	1,525	6,362	9,083
Miscellaneous	13,931	12,773	19,386	6,054
Total revenues	<u>529,823</u>	<u>429,169</u>	<u>389,620</u>	<u>374,532</u>
EXPENDITURES				
General government	98,144	61,278	68,649	65,321
Public safety	173,232	207,659	131,028	141,880
Physical environment	6,379	4,960	3,527	4,338
Transportation	40,823	36,318	37,383	35,437
Economic environment	21,675	13,039	12,589	14,323
Human services	9,009	42,647	28,769	3,805
Culture and recreation	13,117	10,830	9,135	11,287
Court-related	12,164	11,367	10,069	10,841
Debt service:				
Principal	6,050	6,835	6,625	7,765
Interest	6,303	6,439	6,654	6,847
Bond issuance costs		-	-	310
Capital outlay	30,597	40,132	88,816	103,365
Total expenditures	<u>417,493</u>	<u>441,504</u>	<u>403,244</u>	<u>405,519</u>
Excess of revenues over (under) expenditures	<u>112,330</u>	<u>(12,335)</u>	<u>(13,624)</u>	<u>(30,987)</u>
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	-	41,545
Refunding notes issued	-	-	-	-
Bonds issued	-	-	-	-
Premium(Discount)Notes/Bonds	-	-	-	5,319
Notes issued	-	-	-	-
Payments made to bond escrow agents	-	-	-	-
Payments made to refunded bond holders	-	-	-	(46,554)
Insurance recoveries	-	-	-	-
Transfers in	33,641	40,088	30,247	26,862
Transfers out	(34,135)	(41,310)	(28,639)	(26,239)
Total other financing sources (uses)	<u>(494)</u>	<u>(1,222)</u>	<u>1,608</u>	<u>933</u>
Net change in fund balances	<u>\$ 111,836</u>	<u>\$ (13,557)</u>	<u>\$ (12,016)</u>	<u>\$ (30,054)</u>
Debt service as a percentage of noncapital expenditures	3.34%	3.39%	4.55%	5.01%

Continued next page

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 190,782	\$ 180,220	\$ 177,312	\$ 173,928	\$ 161,956	\$ 149,265
19,127	19,048	15,966	16,027	13,916	13,546
15,461	14,747	14,883	15,140	14,608	13,308
83,736	67,034	70,451	62,617	62,337	57,770
23,908	25,441	23,968	23,618	21,677	18,111
2,376	2,900	2,529	2,606	2,407	2,262
3,337	2,059	2,620	2,504	1,344	418
5,794	5,615	6,492	9,820	11,935	8,992
<u>344,521</u>	<u>317,064</u>	<u>314,221</u>	<u>306,260</u>	<u>290,180</u>	<u>263,672</u>
57,291	55,134	55,544	53,032	56,079	58,979
136,213	132,449	132,149	124,781	119,698	103,464
8,486	3,385	2,110	4,173	1,731	2,279
33,702	33,724	34,398	30,601	27,584	26,812
14,959	14,635	12,322	11,227	12,796	10,419
2,793	2,449	2,549	2,686	2,337	2,079
9,221	8,320	7,677	7,450	6,867	2,271
11,180	11,286	10,541	11,693	10,071	9,132
8,024	7,343	7,160	6,812	4,397	3,526
6,706	3,961	3,127	3,290	3,241	3,148
-	552	-	-	-	-
60,203	42,054	27,418	34,970	32,156	32,279
<u>348,778</u>	<u>315,292</u>	<u>294,995</u>	<u>290,715</u>	<u>276,957</u>	<u>254,388</u>
<u>(4,257)</u>	<u>1,772</u>	<u>19,226</u>	<u>15,545</u>	<u>13,223</u>	<u>9,284</u>
-	-	-	-	-	8,406
-	-	-	-	-	-
-	78,060	-	-	-	-
-	10,682	-	-	-	-
-	-	-	-	20,500	-
-	-	-	-	-	(8,362)
-	-	-	-	-	-
36,849	24,865	22,053	21,251	18,331	18,256
(34,167)	(26,444)	(22,743)	(21,966)	(19,094)	(16,083)
<u>2,682</u>	<u>87,163</u>	<u>(690)</u>	<u>(715)</u>	<u>19,737</u>	<u>2,217</u>
<u>\$ (1,575)</u>	<u>\$ 88,935</u>	<u>\$ 18,536</u>	<u>\$ 14,830</u>	<u>\$ 32,960</u>	<u>\$ 11,501</u>
5.28%	4.27%	3.95%	4.09%	3.21%	3.08%

Schedule 5
Escambia County, Florida

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year	Net Assessed Value of Real Property (1)				Total	Total Direct Tax Rate
	Residential Property	Commercial and Industrial Property	Other Property	Personal Property (2)		
2013	8,838,568	2,620,683	377,736	1,802,882	13,639,869	7.6605
2014	9,343,620	2,712,327	400,351	1,789,770	14,246,068	7.6605
2015	9,796,441	2,754,003	382,271	1,857,164	14,789,879	7.6605
2016	10,289,657	2,879,091	385,920	1,830,128	15,384,796	7.6605
2017	10,935,245	2,980,222	361,561	1,872,431	16,149,459	7.6605
2018	11,727,822	3,150,769	384,934	2,036,817	17,300,342	7.6605
2019	12,381,210	3,526,119	398,812	2,158,624	18,464,765	7.6605
2020	13,369,134	3,739,508	414,784	2,162,687	19,686,113	7.6605
2021	14,263,224	3,796,214	430,651	2,409,028	20,899,117	7.6605
2022	16,829,891	4,114,991	476,516	2,914,812	24,336,210	7.6605

Source: Escambia County Property Appraiser

www.escpa.org

- (1) Taxable value of property subject to direct tax rate.
- (2) Personal property includes centrally assessed property, furniture, fixtures, tools, machinery, equipment, etc. and is taxed at various rates



Schedule 6
Escambia County, Florida

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Years

(Rates per \$1,000 of Assessed Value)

Millage rates levied for the fiscal year ending September 30

	Fiscal Year				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Direct:					
Escambia County	6.6165	6.6165	6.6165	6.6165	6.6165
Library	0.3590	0.3590	0.3590	0.3590	0.3590
Escambia County Law Enforcement Service Taxing Unit	0.6850	0.6850	0.6850	0.6850	0.6850
Total direct rate	<u>7.6605</u>	<u>7.6605</u>	<u>7.6605</u>	<u>7.6605</u>	<u>7.6605</u>
Overlapping:					
Childrens Trust	0.4365	0.5000	-	-	-
Escambia County School Board	5.2740	5.6570	5.9280	6.0430	6.3250
City of Pensacola	4.2895	4.2895	4.2895	4.2895	4.2895
City of Pensacola Downtown Improvement Board	2.0000	2.0000	2.0000	2.0000	2.0000
Northwest Florida Water Management	0.0261	0.0294	0.0311	0.0327	0.0338
Town of Century	<u>0.9204</u>	<u>0.9204</u>	<u>0.9204</u>	<u>0.9204</u>	<u>0.9204</u>
Total overlapping rates	<u>12.9465</u>	<u>13.3963</u>	<u>13.1690</u>	<u>13.2856</u>	<u>13.5687</u>

Source: Escambia County Property Appraiser

www.escpa.org

Continued next page

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
6.6165	6.6165	6.6165	6.6165	6.9755
0.3590	0.3590	0.3590	0.3590	-
0.6850	0.6850	0.6850	0.6850	0.6850
<u>7.6605</u>	<u>7.6605</u>	<u>7.6605</u>	<u>7.6605</u>	<u>7.6605</u>
-	-	-	-	-
6.6310	6.8760	7.1130	7.557	7.558
4.2895	4.2895	4.2895	4.2895	4.2895
2.0000	2.0000	2.0000	2.000	2.000
0.0353	0.0366	0.0378	0.039	0.040
<u>0.9204</u>	<u>0.9732</u>	<u>0.9006</u>	<u>0.9006</u>	<u>0.9048</u>
<u>13.8762</u>	<u>14.1753</u>	<u>14.3409</u>	<u>14.7861</u>	<u>14.7921</u>

Schedule 7
Escambia County, Florida

PRINCIPAL PROPERTY TAX PAYERS

Current and Nine Years Ago
(Amounts Expressed in Thousands)

<u>Taxpayer</u>	Fiscal Year 2022			Fiscal Year 2013		
	Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
Florida Power & Light / Gulf Power	\$ 1,261,735	1	5.18%	\$ 501,407	1	3.65%
Navy Federal Credit Union	495,579	2	2.04%	67,284	8	0.49%
International Paper Corp	253,926	4	1.04%	354,583	2	2.58%
Ascend Performance Material*	160,391	5	0.66%	120,402	3	0.88%
West Florida Regional Medical	138,494	6	0.57%	91,977	4	0.67%
City of Pensacola	279,890	3	1.15%			
West Dale Parkside/Westdale Pensacola	86,608	7	0.36%			
Walmart/Sams	82,573	8	0.34%	58,443	6	0.43%
Lurin Realestate Holdings	73,227	9	0.30%			
SPIDEV/SPIGOV II/SPICLIFF/SPITOWN	66,246	10	0.27%			
Bellsouth Telecommunication				68,083	5	0.50%
Simon Debartolo Group				34,527	7	0.25%
CoxCom Inc (formerly Cox Cable)				38,241	9	0.28%
Exxon Mobile Chemical				40,471	10	0.29%
Total	\$ 2,898,669		11.91%	\$ 1,375,418		10.00%
	(1) \$ 24,336,210			(1) \$ 13,748,342		

Sources:

Escambia County Tax Roll compiled by the Escambia County Property Appraiser

www.escpa.org

Tangible personal property records on file in the Escambia County Tax Collector's office.

www.escambiataxcollector.com

(1) Total Estimated Assessed Value Countywide per Schedule 5

*Formerly Solutia, Inc.

Schedule 8
Escambia County, Florida

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended Sept. 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections Received from Prior Year Levies	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Levy
2013	100,092,915	94,930,127	94.84%	188,794	95,118,921	95.03%
2014	101,167,730	100,380,170	99.22%	695,427	101,075,597	99.91%
2015	106,013,064	103,697,542	97.82%	5,150,838 (1)	108,848,380	102.67%
2016	110,249,860	106,512,637	96.61%	3,178,435 (2)	109,691,072	99.49%
2017	114,962,306	109,851,250	95.55%	199,525	110,050,775	95.73%
2018	120,238,390	115,369,234	95.95%	955,642	116,324,876	96.75%
2019	128,396,943	124,720,215	97.14%	195,569	124,915,784	97.29%
2020	138,147,371	133,151,541	96.38%	88,500	133,240,041	96.45%
2021	147,932,403	142,005,969	95.99%	192,040	142,198,009	96.12%
2022	156,098,325	150,639,708	96.50%	363,780	151,003,488	96.74%

Note: Property Tax data includes County wide and Municipal Services Taxing Units only.
Data does not include the Escambia County School Board.

(1) 2015 Collections received from prior year levies include \$4,463,110 for collections held in reserve pending the outcome of court litigation.

(2) 2016 Collections received from prior year levies include \$2,938,543 for collections held in reserve pending the outcome of court litigation.

Schedule 9
Escambia County, Florida

SCHEDULE OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business Activities	
	Bonds	Unamortized Bond Issue Premiums (2)	Capital Leases	Notes	Bonds	Notes
2013	47,545,000	-	-	53,660,000	-	-
2014	46,780,000	-	-	70,528,000	-	-
2015	44,820,000	-	-	65,676,000	-	-
2016	42,610,000	-	-	60,726,000	-	-
2017	118,395,000	10,593,411	-	55,658,000	-	-
2018	115,545,000	10,228,121	-	50,484,000	-	-
2019	115,890,000	14,854,399	-	37,365,000	-	-
2020	112,620,000	14,073,145	-	34,010,000	-	-
2021	109,215,000	13,291,891	-	30,580,000	-	-
2022	105,660,000	12,510,637	732,056	28,350,000	-	-

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements

(1) See Schedule 16 for more Demographic and Economic Statistics. Population and Personal income data can be found in the Schedule of Demographic and Economic Statistics on Schedule 16.

(2) Unamortized Bond Issue Premium associated with the Sales Tax Revenue Bonds, Series 2017; and Capital Improvement Refunding Revenue Bond, Series 2018.

Continued next page

Total Outstanding Debt	Percentage of Personal Income (1)	Population (1)	Debt Per Capita (1)	Percentage of Per Capita Income (1)
101,205,000	916.84%	307,753	329	0.035%
117,308,000	1021.41%	309,034	380	0.032%
110,496,000	913.43%	311,003	355	0.035%
103,336,000	830.59%	311,711	332	0.039%
184,646,411	1411.36%	313,512	589	0.023%
176,257,121	1306.85%	315,534	559	0.024%
168,109,399	1190.08%	318,316	528	0.026%
160,703,145	1104.47%	307,090	523	0.029%
153,086,891	1020.14%	316,719	483	0.031%
147,252,693	880.78%	322,699	456	0.035%

Schedule 10
Escambia County, Florida

Direct and Overlapping Governmental Activities Debt and Computation of Legal Debt Margin
As of September 30, 2022

Computation of Direct and Overlapping Debt (1)

Governmental Unit	Debt Outstanding	Percentage Applicable to This Governmental Unit
Direct Debt:		
Escambia County - Revenue Bonds	\$ 105,660,000	100.00%
Escambia County - Revenue Notes	28,350,000	100.00%
Escambia County - Unamortized Bond Issue Premiums (3)	12,510,637	100.00%
Total Direct Debt	<u>\$ 146,520,637</u>	

Overlapping:

County Governments are encouraged, but not required to present information about Direct or Overlapping Debt. Overlapping debt is not presented.

Computation of Legal Debt Margin (2)

The Constitution of the State of Florida, Florida Statute 200.181 and Escambia County set no legal debt limit.

Note: Escambia County has no general obligation debt as of September 30, 2022.

(1) Source: Escambia County Government

(2) Source: Florida Statutes

(3) Unamortized Bond Issue Premiums associated with the Sales Tax Revenue Bonds, Series 2017;
and the Capital Improvement Refunding Revenue Bonds, Series 2018.

Schedule 11
Escambia County, Florida

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Sales Tax Bond/Note				Capital Improvement Bond/Note			
	Half-Cent Sales Tax Revenues	Debt Service Requirements		Coverage	Covenant to Budget (1)	Debt Service Requirements		Coverage
		Principal	Interest			Principal	Interest	
2013	20,617,921	2,120,000	3,625,618	3.59	1,447,388	740,000	582,971	1.09
2014	21,735,479	1,775,000	2,227,994	5.43	2,337,204	1,445,000	891,904	1.00
2015	22,513,589	3,005,000	2,177,244	4.34	3,616,947	2,606,000	1,010,186	1.00
2016	23,418,049	3,280,000	2,092,212	4.36	3,616,913	2,667,000	948,587	1.00
2017	24,173,396	3,380,000	3,008,930	3.78	3,615,062	2,728,000	885,732	1.00
2018	25,920,787	3,980,000	3,687,105	3.38	3,738,275	2,795,000	942,774	1.00
2019	27,392,846	2,560,000	4,883,072	3.68	6,206,861	3,935,000	1,935,203	1.06
2020	26,703,051	2,630,000	4,670,850	3.66	5,982,459	3,995,000	1,976,959	1.00
2021	32,604,337	2,710,000	4,586,934	4.47	5,958,604	4,125,000	1,822,334	1.00
2022	35,608,618	2,805,000	4,497,783	4.88	4,651,750	2,980,000	1,661,750	1.00

(1) Covenant to budget and appropriate from available Non-ad valorem revenues.

Schedule 12
Escambia County, Florida

HISTORICAL SALES TAX REVENUE (1)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Half-Cent Sales Tax Revenues (2)</u>	<u>Percentage Change</u>
2013	20,617,921	4.2%
2014	21,735,479	5.4%
2015	22,513,589	3.6%
2016	23,418,049	4.0%
2017	24,173,396	3.2%
2018	25,920,787	7.2%
2019	27,392,846	5.7%
2020	26,703,051	-2.5%
2021	32,604,337	22.1%
2022	35,608,618	9.2%

(1) The table sets forth the historical Sales Tax Revenues received by the county (net of amounts distributed to municipalities within the County) for the Fiscal Years Ending September 30, 2012 through 2021 (audited).

(2) The Amount of Sales Tax Revenues distributed to the County is subject to increase or decrease due to (i) more or less favorable economic conditions, (ii) increases or decreases in the dollar volume of taxable sales within the County, (iii) legislative changes relating to the sales tax, which may include changes in the scope of taxable sales, changes in tax rate and changes in the amount of Sales Tax Revenues deposited into the Trust Fund, and (iv) other factors which may be beyond the control of the County or the Series 2017 Bondholders, including but not limited to the potential for increased use of electronic commerce and other internet-related sales activity that could have a material adverse impact upon the amount of sales tax collected by the State, deposited into the Trust Fund and then distributed to the County.

(2) In particular, the share of the Sales Tax Revenues deposited in the Trust Fund which is to be distributed to the County will be affected by changes in the relative populations of the incorporated and unincorporated areas within the County. Such relative populations are subject to change through normal increases and decreases in population within the existing unincorporated and incorporated areas of the County and are also subject to change by the annexation of previously unincorporated areas of the County by the municipalities within the County. Such annexations would not only increase the population of the incorporated areas but also would, in equal amount, decrease the population of the unincorporated areas.



Schedule 13
Escambia County, Florida

PRO FORMA DEBT SERVICE COVERAGE FROM SALES TAX REVENUES

Last Ten Fiscal Years

	Fiscal Year Ended September 30, 2022				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Sales Tax Revenue	\$35,608,618	\$32,604,337	\$ 26,703,051	\$27,392,846	\$25,920,787
Maximum Annual Debt Service on the Series 2012 Note and Series 2017 Bonds (1)	9,553,440	9,571,501	9,571,501	9,571,501	9,572,824
Sales Tax Revenue coverage of Maximum Annual Debt Service on the Series 2012 Note and Series 2017 Bonds (1)	3.73 x	3.41 x	2.79 x	2.86 x	2.71 x

(1) The coverage table compares the historical Sales Tax Revenues to the pro forma aggregate maximum annual debt service on the Series 2012 Note and the Series 2017 Bonds. The pro forma aggregate maximum annual debt service would occur in Fiscal Year 2032, based on the assumptions set forth below.

(1) Prior to fiscal year 2022, assumes that the 2012 Sales Tax Refunding Revenue Note matures on October 1, 2032 with no change in the interest rate of 2.82%, subject to adjustment as set forth in the original resolution authorizing the same; however, the entire unpaid principal and interest accrued thereon may be subject to mandatory prepayment at the option of the owner of the Note on October 1, 2027 or any date thereafter through but not including October 1, 2028. The maximum annual debt service above assumes the owner of the Note does not exercise the mandatory prepayment option. The Series 2012 Note was modified on April 22, 2022, pursuant to Resolution R22-43, to lower the interest rate to 2.48% effective October 1, 2022 and to eliminate the mandatory prepayment option. Beginning fiscal year 2022, assumes modified debt service for the Series 2012 Note that matures October 1, 2032.

Continued next page

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$24,173,396	\$23,418,049	\$22,513,589	\$21,735,479	\$20,617,921
9,572,824	9,572,824	9,572,824	9,572,824	9,572,824
2.53 x	2.45 x	2.35 x	2.27 x	2.15

Schedule 14
Escambia County, Florida

HISTORICAL NON-AD VALOREM REVENUE (1)

Last Nine Fiscal Years

	Fiscal Year Ended September 30, 2022			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Charges for Other Services	\$ 26,225,386	\$ 25,855,966	\$ 20,731,300	\$ 24,949,395
Half-Cent Sales Tax	35,608,618	32,604,337	26,703,051	27,392,846
Electric Franchise Fee	12,550,831	12,303,490	11,998,983	11,813,944
Communication Services Tax	2,149,654	2,092,536	2,181,677	2,225,150
State Revenue Sharing	13,127,395	10,248,190	8,785,697	9,343,600
Reimbursement of Indirect Costs	3,537,166	3,906,165	3,581,655	2,342,595
Investment Gain (Loss)	(1,658,554)	1,525,175	6,361,536	9,082,990
Miscellaneous	13,930,732	12,773,050	19,385,667	6,054,107
Permits & Fees	517,381	502,964	418,900	362,347
Judgements & Fines	2,900,623	2,843,753	2,440,998	2,515,765
Excess Fees - Constitutional Officers	2,640,923	2,698,702	1,847,515	2,691,540
Other Non-enterprise, Non-Ad Valorem	<u>\$ 267,289,466</u>	<u>179,616,179</u>	<u>151,942,832</u>	<u>150,841,604</u>
TOTALS	<u>\$ 378,819,621</u>	<u>\$ 286,970,507</u>	<u>\$ 256,379,811</u>	<u>\$ 249,615,883</u>

(1) The table sets forth the sources and total amounts of Non-Ad Valorem Revenue of the county for the Fiscal Years ended September 30, 2014 through 2022 (audited).

Continued next page

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 23,908,299	\$ 25,441,094	\$ 23,968,246	\$ 23,617,512	\$ 21,677,255
25,920,787	24,173,396	23,418,049	22,513,589	21,735,479
11,877,215	11,353,718	11,540,341	11,830,914	11,273,510
2,467,712	2,461,336	2,659,111	2,737,529	2,661,569
8,883,539	8,477,607	8,168,290	7,949,431	7,357,972
3,259,281	3,355,784	2,866,294	2,727,676	2,143,749
3,336,558	2,058,847	2,619,591	2,503,613	1,343,694
5,794,200	5,607,165	6,492,126	9,819,968	11,934,939
381,468	327,086	331,995	259,021	235,927
2,376,467	2,900,280	2,528,843	2,605,545	2,406,901
1,837,347	1,954,195	1,146,715	1,663,774	1,889,212
138,153,148	118,902,982	118,790,108	109,182,868	109,721,231
<u>\$ 228,196,021</u>	<u>\$ 207,013,490</u>	<u>\$204,529,709</u>	<u>\$ 197,411,440</u>	<u>\$ 194,381,438</u>

Schedule 15
Escambia County, Florida

DEBT SERVICE REQUIREMENTS FROM NON-AD VALOREM REVENUES (1)

Last Nine Fiscal Years

	Fiscal Year Ended September 30, 2022			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Governmental Fund Revenues	529,823,109	429,168,516	389,619,852	374,531,667
Less Ad Valorem Revenues	<u>(151,003,488)</u>	<u>(142,198,009)</u>	<u>(133,240,041)</u>	<u>(124,915,784)</u>
Non-Ad Valorem Revenues	378,819,621	286,970,507	256,379,811	249,615,883
Essential Expenditures				
General Government	(98,143,886)	(61,278,256)	(68,648,653)	(65,320,610)
Public Safety	<u>(173,232,355)</u>	<u>(207,659,439)</u>	<u>(131,027,987)</u>	<u>(141,879,522)</u>
Total Essential Expenditures	(271,376,241)	(268,937,695)	(199,676,640)	(207,200,132)
Allocable Portion of Essential Expenditures	(194,032,014)	(179,829,563)	(131,392,328)	(138,093,647)
Revenues for Coverage	184,787,607	107,140,944	124,987,483	111,522,236
Total Maximum Annual Debt Service (2)	14,195,190	15,518,835	15,543,460	15,543,460
Coverage	13.02 x	6.90 x	8.04 x	7.17 x

(1) The coverage table sets forth the debt service requirements on the Bonds and other outstanding County indebtedness secured by a pledge of a portion or a covenant to budget and appropriate Non-Advalorem Revenues.

(2) The Total Maximum Annual Debt Services for 2018 and 2017 includes the refunded obligations on November 28, 2018, as described in Note 6 of the notes to financial statements of the 2018 CAFR.

Continued next page

<u>2018 (2)</u>	<u>2017 (2)</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
344,520,897	317,064,265	314,220,781	306,259,820	290,180,326
<u>(116,324,876)</u>	<u>(110,050,775)</u>	<u>(109,691,072)</u>	<u>(108,848,380)</u>	<u>(95,798,888)</u>
228,196,021	207,013,490	204,529,709	197,411,440	194,381,438
(57,290,782)	(55,134,177)	(55,543,552)	(53,031,820)	(56,078,759)
<u>(136,212,623)</u>	<u>(132,448,931)</u>	<u>(132,149,155)</u>	<u>(124,781,265)</u>	<u>(119,698,436)</u>
(193,503,405)	(187,583,108)	(187,692,707)	(177,813,085)	(175,777,195)
(128,168,443)	(122,474,331)	(122,171,215)	(114,616,201)	(117,746,866)
100,027,578	84,539,159	82,358,494	82,795,239	76,634,572
14,780,583	14,477,293	10,285,572	10,285,572	10,285,572
6.77 x	5.84 x	8.01 x	8.05 x	7.45 x

Schedule 16
Escambia County, Florida

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Year	Population (1) (7)	Median Age (2) (6)	Per Capita Personal Income (6)	Personal Income (thousands of dollars) (3)	School Enrollment (4)	Unemployment Rate (1) (5)
2013	307,753	37.6	35,868	11,038,485	40,082	6.5%
2014	309,034	37.6	37,164	11,484,940	43,010	6.1%
2015	311,003	37.3	38,896	12,096,773	42,082	5.2%
2016	311,711	36.9	39,913	12,441,321	39,284	5.1%
2017	313,512	37.2	41,730	13,082,856	39,859	4.0%
2018	315,534	37.1	42,744	13,487,185	39,078	3.0%
2019	318,316	38.1	44,377	14,125,909	38,698	3.0%
2020	307,090	38.2	47,381	14,550,231	37,758	5.1%
2021	316,719	38.2	47,837	15,150,887	37,631	4.2%
2022	322,699	38.4	51,808	16,718,390	37,775	2.7%

Sources:

- (1) Florida Research and Economic Information Database (FRIEDA) <http://freida.labormarketinfo.com>
For years 2020 and prior.
- (2) University of West Florida HAAS Center www.haas.uwf.edu
For years 2020 and prior.
- (3) Personal income is a calculated amount based on population and per capita personal income.
- (4) Escambia County School District - School Board Budget Department www.escambia.k12.fl.us
- (5) U.S. Department of Labor, Bureau of Statistics <http://floridajobs.org/workforce-statics/data-center>
- (6) Office of Economic and Demographic research <http://edr.state.fl.us>
2022 data was unavailable at time of issue, and is based on 2021 data
- (7) Florida West - Demographics <http://www.floridawestsites.com>

Schedule 17
Escambia County, Florida

PRINCIPAL EMPLOYERS

Current and Nine Years Ago

<u>Employer</u>	2022 (1)			2013 (2)		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Local government	14,100	1	26.87%	15,900	1	35.50%
Navy Federal Credit Union	8,500	2	16.20%	3,113	6	6.95%
Federal government	6,800	3	12.96%	6,300	2	14.07%
State government	6,800	4	12.96%	6,100	3	13.62%
Baptist Health Care	6,633	5	12.64%	4,133	4	9.23%
Sacred Heart Health Systems	4,820	6	9.19%	3,483	5	7.78%
Pensacola Christian College	1,584	7	3.02%	1,825	7	4.08%
Ascend Performance Materials	1,288	8	2.45%			
West Florida Healthcare	1,200	9	2.29%	1,300	9	2.90%
Innisfree Hotels	750	10	1.43%			
Florida Power & Light/Gulf Power				1,522	8	3.40%
University of West Florida				1,108	10	2.47%
Total Employees	52,475			44,784		

Source:

(1) Florida West Economic Development Alliance www.FloridaWestEDA.com and Florida Department of Economic Opportunity (Total Government) www.floridajobs.org/workforce-statistics/data-center/statistical-program/current-employment-statistics

(2) Escambia County Comprehensive Annual Fiscal Report for the year ending 2013.

Schedule 18
Escambia County, Florida

ESCAMBIA COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

<u>Function/Program</u>	<u>Number of Full Time Equivalent Employees as of September 30</u>			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>General government</u>				
Board of County Commissioners	168	227	213	193
Clerk of Circuit Court & Comptroller	32	46	46	42
Property Appraiser	71	71	71	71
Supervisor of Elections	15	15	15	15
Tax Collector	108	105	105	103
<u>Public safety</u>				
Board of County Commissioners	862	1,009	984	924
Sheriff	686	704	693	693
<u>Physical environment</u>				
Board of County Commissioners	65	66	67	70
<u>Transportation</u>				
Board of County Commissioners	246	186	310	326
<u>Economic environment</u>				
Board of County Commissioners	6	5	5	5
<u>Human services</u>				
Board of County Commissioners	21	24	44	30
<u>Culture and recreation</u>				
Board of County Commissioners	89	89	94	93
<u>Court related</u>				
Board of County Commissioners	18	16	15	15
Clerk of Circuit Court & Comptroller	111	118	109	112
Total	<u>2,498</u>	<u>2,681</u>	<u>2,771</u>	<u>2,692</u>

Source: Escambia County Government

Continued next page

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
200	215	177	197	192	211
42	41	41	53	53	55
70	70	70	70	75	70
15	15	13	13	13	15
103	100	100	100	103	103
925	918	862	841	810	373
704	652	652	670	645	1,079
63	67	65	66	105	103
324	225	229	197	192	196
6	6	6	5	4	-
30	29	43	43	30	29
85	26	26	24	25	26
14	14	13	7	6	4
108	119	118	117	116	117
<u>2,689</u>	<u>2,497</u>	<u>2,415</u>	<u>2,403</u>	<u>2,369</u>	<u>2,381</u>

Schedule 19
Escambia County, Florida

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	Fiscal Year			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
General Government				
County residents per employee (1)	129	111	111	117
Public Safety				
Building permits -total value	\$ 3,988,983,016	\$ 1,213,847,376	\$ 559,743,918	unavailable
Building permits - single & multi-family units	3,017	2,154	1,702	1,138
Building permits - single family units	unavailable	unavailable	unavailable	unavailable
Building permits - multi-family units	unavailable	unavailable	unavailable	unavailable
Total fire responses	18,558	16,862	15,580	21,137
Total permits issued	42,868	50,212	29,526	24,831
Total inspections performed	81,100	73,750	52,361	46,043
Code enforcement complaints	5,296	6,679	5,925	6,479
Emergency calls (ambulance)	71,631	68,939	67,964	67,866
Non-emergency calls (ambulance)	4,698	3,254	2,292	3,369
Total ambulance transports	44,454	45,272	39,481	42,727
911 calls - City	75,250	86,234	79,586	70,347
Arrests - City	2,786	4,683	4,266	3,959
Traffic violations - City	4,783	5,713	5,215	8,391
911 calls - County	52,529	67,447	62,465	48,410
Arrests - County	11,467	7,719	9,149	12,015
Traffic violations - County	3,939	4,425	6,913	14,435
Physical environment				
Solid waste managed at Perdido Landfill (tons)	480,778	569,261	452,789	428,933
Waste disposed of in the class I landfill (tons)	435,230	512,632	391,404	361,620
Tons of yard trash recycled	13,689	16,633	11,656	10,198
Tons of various recycled materials	31,411	39,548	49,150	56,496
Hazardous material disposed of (tons)	51	58	52	44
Transportation				
Passenger trips - fixed route services	733,141	678,427	848,756	1,398,149
Passenger trips - paratransit/demand services	107,481	94,589	96,822	105,879
Bob Sikes toll receipts	2,762,018	2,244,988	2,173,387	3,277,699
Culture and recreation				
Bay Center operating revenues	5,974,029	2,656,384	3,304,233	5,514,304
Parks & recreation park uses	141	149	86	118
Equestrian Center events	51	42	28	37
Lake Stone rentals	570	714	693	531
Naval Air Museum visitors	229,815	163,462	169,734	720,951
Students enrolled - University of West Florida	13,265	13,317	13,044	12,850
Students enrolled - Pensacola State College	8,425	9,233	11,921	7,054

N/A: Information not available

Sources: Various county departments, Pensacola Police Department, University of West Florida, Pensacola State College, and the Pensacola Naval Air Museum.

(1) General Government - County residents per employee is derived from total county population on Schedule 16 and total County government employees on Schedule 18.

Continued next page

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
	117	126	129	129	130	129
unavailable	\$ 228,500,135	\$ 202,881,216	\$ 160,326,832	\$ 130,236,352	\$ 113,949,035	
1,371	928	923	771	915	787	
unavailable	836	816	761	669	777	
unavailable	92	107	10	246	10	
18,440	16,683	14,317	15,320	14,769	15,946	
26,110	20,881	20,200	18,786	19,416	17,440	
51,120	38,848	34,461	33,628	34,490	31,798	
6,753	6,471	6,431	7,579	6,165	8,292	
58,653	51,464	46,881	41,537	41,599	37,872	
4,400	2,760	2,435	534	950	2,103	
40,288	36,595	36,442	35,225	33,715	33,136	
45,962	49,636	51,159	56,602	61,540	57,416	
3,697	3,301	3,039	3,176	3,225	3,773	
7,315	8,009	6,804	6,859	7,367	8,179	
50,468	50,661	50,536	42,402	46,199	46,246	
20,107	15,953	14,137	11,306	15,348	16,944	
23,255	32,381	22,559	12,014	10,254	9,114	
396,444	411,452	334,027	257,778	280,128	258,856	
339,170	362,882	318,320	234,031	267,821	244,018	
9,170	7,609	8,033	20,262	9,377	5,015	
47,520	40,053	4,924	3,380	2,247	6,726	
42	43	76	34	43	70	
1,445,102	1,578,305	1,443,463	1,490,282	1,516,853	1,561,371	
101,579	92,820	87,558	87,355	56,651	43,774	
3,403,058	3,540,583	3,452,765	3,537,142	3,327,729	3,310,752	
5,148,240	4,573,010	4,989,232	4,434,520	4,563,725	3,937,617	
127	78	73	69	96	89	
53	66	56	56	51	47	
447	473	426	391	432	439	
738,043	772,997	842,639	872,082	799,380	765,063	
13,033	12,979	12,798	12,602	12,588	12,823	
8,824	8,651	8,229	9,022	9,568	9,328	

Schedule 20
Escambia County, Florida

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	Fiscal Year			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
General government				
Facilities - number	234	229	228	224
Facilities - square footage	2,771,232	2,727,222	2,422,575	2,416,378
Public Safety				
Road prison capacity	236	236	236	236
Work release facility capacity	n/a	n/a	n/a	438
Fire stations	21	21	21	21
Rescue vehicles (fire trucks, etc)	54	51	51	52
Ambulances	35	32	32	32
Mass transit bus/trolley	87	70	80	82
Sheriffs vehicles (marked/unmarked)	743	397	435	420
Sheriff substations	7	7	7	7
Physical environment				
Landfills in operation (accepting waste)	1	1	1	1
Beaches (miles)				
Pensacola (1)*	24	17	17	17
Perdido Key (2)*	13	13	13	13
Transportation				
Centerline miles of county roads				
Paved mileage	1,520	1,512	1,505	1,499
Unpaved mileage	61	62	66	67
Traffic control devices	464	464	462	455
Bridges	150	155	148	148
Culture and recreation				
Athletic parks	16	16	16	16
Campgrounds	2	2	2	2
Community centers	16	16	16	16
Equestrian center	1	1	1	1
Neighborhood parks	84	84	84	82
Undeveloped parks	11	11	11	11
Beach access/boat ramps	21	21	21	21
Libraries (locations)	8	7	7	7

N/A: Information not available

Sources: Individual County departments

(1) Source: Santa Rosa Island Authority and Community & Environment Bureau

(2) Source: Community & Environment Bureau

* The number of miles were obtained according to a GIS based measurement and 2006 aerial photographs. This measurement is just an approximation and is subject to significant error. Barring disaster or land acquisition/creation, the miles of beach within the County should not change significantly from year-to-year.

Continued next page

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
223	219	219	213	226	224
2,410,929	2,344,323	2,357,518	2,515,675	2,489,964	2,497,854
256	256	252	236	236	236
438	412	380	380	380	280
21	22	22	22	23	23
52	52	53	53	53	57
29	33	30	29	25	30
83	71	70	83	66	54
420	425	400	400	400	400
4	4	6	6	6	6
1	1	1	1	1	1
17	17	17	17	17	17
13	13	13	13	13	13
1,496	1,493	1,486	1,479	1,474	1,467.60
69	70	75.15	80.09	84.07	89.39
435	414	361	356	338	318
148	150	150	165	139	139
16	16	16	16	16	16
2	2	2	2	2	2
16	16	16	16	16	16
1	1	1	1	1	1
82	82	82	82	82	82
11	11	11	11	11	11
21	21	21	21	21	20
7	7	7	6	6	6



Compliance Section

This section is presented in accordance with:
Government Auditing Standards, issued by the
Comptroller General of the United States

The provisions of the Office of Management and
Budget (OMB) Single Audit Act, and the
requirements of the Code of Federal
Regulations Subpart F of 2 C.F.R. Part 200

Florida Single Audit Act, Chapter 215.97
of the Florida Statutes

The Rules of the Auditor General of
the State of Florida, Chapter 10.550





**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**

The Honorable Board of County Commissioners
Escambia County, Florida

We have audited, 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 financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Escambia County, Florida, (hereinafter referred to as "County"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 17, 2023. Our report includes a reference to another auditor who audited the financial statements of the Santa Rosa Island Authority, as described in our report on the County's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the other auditor.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing the 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of 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 report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Warren Averett, LLC".

Pensacola, Florida
February 17, 2023

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

The Honorable Board of County Commissioners
Escambia County, Florida

We have examined Escambia County, Florida's, (hereinafter referred to as the "the County") compliance with the following requirements for the year ended September 30, 2022:

- (1) Florida Statute 218.415 in regard to investments.
- (2) Florida Statute 288.8018 in regard to the Deepwater Horizon Oil Spill receipts and expenditures.
- (3) Florida Statutes 365.172 and 365.173 in regard to use of E-911 revenues and expenditures.

Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County'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 County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

This report is intended solely for the information and use of the County and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
February 17, 2023

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

The Honorable Board of County Commissioners
Escambia County, Florida

We have audited the financial statements of Escambia County, Florida as of and for the year ended September 30, 2022, and have issued our report thereon dated February 17, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The Schedule of Receipts and Expenditures of Funds related to the Deepwater Horizon Oil Spill on page 228 is presented for the purpose of additional analysis as required by Florida Statute 288.8018 and the Rules of the Auditor General Chapter 10.557(3)(f) and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

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

Warren Averett, LLC

Pensacola, Florida
February 17, 2023

Escambia County, Florida

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF
FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL
For the Fiscal Year Ended September 30, 2022**

Source	Amount Received in the 2021-2022 Fiscal Year	Amount Expended in the 2021-2022 Fiscal Year
Office of Gulf Coast Ecosystem Restoration:		
RESTORE MYIP AMENDMENTS AWARD 1 RDCGR080042-01-00	\$ 11,146	\$ -
RESTORE MYIP CARPENTER CREEK/TEXAR PLAN 1 RDCGR080046-01-00	\$ 483,346	\$ 369,368
RESTORE MYIP UNIVERSAL ACCESS PLAN 1 RDCGR080048-01-00	\$ 27,722	\$ 33
RESTORE MYIP ELEVEN MILE PONDS PLAN 1 RDCGR080049-01-00	\$ 159,504	\$ 699,843
RESTORE MYIP HOLLIS T WILLIAMS PARK 1 RDCGR080054-01-00	\$ 519,800	\$ 558,005
RESTORE MYIP SOUTH DOGTRACK DRAINAGE 1 RDCGR080055-01-00	\$ -	\$ 233
RESTORE MYIP 11 MILE CREEK STREAM RESTORATION DESIGN 1 RDCGR080135-01-00	\$ 323,305	\$ 321,741
RESTORE MYIP SOAR WITH RESTORE WORKFORCE DEV 1 RDCGR080136-01-00	\$ 325	\$ 858
RESTORE MYIP BEULAH MASTER PLAN 1 RDCGR080139-01-00	\$ -	\$ 1,732
RESTORE MYIP CONSTR OF PERDIDO KEY MULTI-USE PATH 1 RDCGR080164-01-00	\$ -	\$ 1,097
GULF CONSORTIUM-BAYOU CHICO SEDIMENT 210025011.01	\$ -	\$ 95,053
Environmental Protection Agency:		
RESTORE - BAYS ESTUARY PROGRAM 00D81118	\$ 447,272	\$ 634,946
DEEPWATER HORIZON-PENSACOLA BAY LIVING SHORELINE G0448	\$ -	\$ 21,482
DEEPWATER HORIZON-BAYOU CHICO SEDIMENT RES09	\$ -	\$ 58,901
DEEPWATER HORIZON-BEACH HAVEN PHASE II RES04	\$ 20,675	\$ -
NRDA Grant Funds:		
NRDA ERP DEP BOAT RAMPS S0779	\$ -	\$ 34,078
NRDA INNERARITY PARK OGC114	\$ -	\$ 45,113
USDA Grant Funds:		
USDA NRCS MAM PENS BAY/PERDIDO RIVER N1220CPT0010979	\$ 52,786	\$ 37,094
	<u>\$ 2,045,881</u>	<u>\$ 2,879,576</u>

Note: These funds related to the Deepwater Horizon Oil Spill are considered Federal and State Awards and are reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance under federal assistance listing numbers #21.015, #87.051, #87.052, #66.130, and #15.658 and state assistance listing number #37.081. These were not tested as major programs in Fiscal Year 2022.

This schedule is prepared on the cash basis of accounting.

MANAGEMENT LETTER

The Honorable Board of County Commissioners
Escambia County, Florida

Report on the Financial Statements

We have audited the financial statements Escambia County, Florida (hereinafter referred to as the "County"), as of and for the year ended September 30, 2022, and have issued our report thereon dated February 17, 2023.

Auditors' Responsibility

We conducted our audit 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550 *Rules of the Florida Auditor General*.

Other Reports Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedules, which are dated February 17, 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 or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No findings were reported in the prior year.

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 County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the County did not meet 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 County'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 in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information

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

- a. The total number of authority employees compensated in the last pay period of the authority's fiscal year as 13.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the authority's fiscal year as 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$802,192.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0
- e. The Authority did not identify any construction projects with a total cost of at least \$65,000 approved by the Authority that are scheduled to begin on or after October 1 of the fiscal year begin reported.
- f. The Authority did not amend its final adopted budget under Section 189.016(6), Florida Statutes.

We did not audit the financial statements of the Santa Rosa Island Authority, a business type activities-discrete component unit, as of and for the year ended September 30, 2022. This component unit was audited by another auditor whose report has been furnished to us, and as it relates to the items above for the Santa Rosa Island Authority, is based solely on the report of the other auditor.

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 which 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 Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
February 17, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF
THE AUDITOR GENERAL**

Honorable Board of County Commissioners
Escambia County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Escambia County, Florida's (hereinafter referred to as "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2022. The County's major federal programs and state projects are identified in the summary of auditor results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

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 County'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*, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County'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 County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Florida Department of Financial Services *State Projects Compliance Supplement*, but not for the purpose of expressing an opinion on the effectiveness of the County'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 or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material

weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Escambia County, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated February 17, 2023, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 and State Financial Assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Pensacola, Florida
February 17, 2023

ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE - CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal and State Grantor/ Program Title	Pass-Through/ Direct	Assistance Listing Number	Contract / Grant Number	Expenditures	Expenditures to Subrecipients
FEDERAL AWARDS					
GULF COAST ECOSYSTEM RESTORATION COUNCIL					
GULF COAST ECOSYSTEM RESTORATION COUNCIL COMPREHENSIVE PLAN COMPONENT PROGRAM	FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION	87.051	RES09	\$ 96,271	\$ -
GULF COAST ECOSYSTEM RESTORATION COUNCIL COMPREHENSIVE PLAN COMPONENT PROGRAM	FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION	87.051	G0448	21,482	-
SUBTOTAL				117,753	-
GULF COAST ECOSYSTEM RESTORATION COUNCIL OIL SPILL IMPACT PROGRAM	GULF CONSORTIUM	87.052	210025011.01	160,336	-
U.S. DEPARTMENT OF AGRICULTURE					
EMERGENCY WATERSHED PROTECTION PROGRAM	DIRECT	10.923	NR214209XXXXC002	1,641,305	-
U.S. DEPARTMENT OF COMMERCE					
SEA GRANT SUPPORT	THE UNIVERSITY OF SOUTHERN MISSISSIPPI	11.417	8006105-01.01-R/MG/ PPBEP	1,500	-
U.S. DEPARTMENT OF DEFENSE					
COMMUNITY ECONOMIC ADJUSTMENT ASSISTANCE FOR COMPATIBLE USE AND JOINT LAND USE STUDIES	DIRECT	12.610	EN857-20-01	70,101	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
CHILD SUPPORT ENFORCEMENT	FLORIDA DEPARTMENT OF REVENUE	93.563	CSU17	28,961	-
CHILD SUPPORT ENFORCEMENT	FLORIDA DEPARTMENT OF REVENUE	93.563	COC17	472,189	-
SUBTOTAL				501,150	-
U.S. DEPARTMENT OF HOMELAND SECURITY					
DISASTER GRANTS - PUBLIC ASSISTANCE	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.036	15-SP-8Z-01-27-02-514	206,103	-
DISASTER GRANTS - PUBLIC ASSISTANCE	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.036	Z2564	60,884,697	-
COVID-19 DISASTER GRANTS - PUBLIC ASSISTANCE	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.036	Z1785	385,356	-
DISASTER GRANTS - PUBLIC ASSISTANCE	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.036	3237	91,779	-
SUBTOTAL				61,567,935	-
HAZARD MITIGATION GRANT	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.039	19HM-H4-01-27-01-201	5,888	-
HAZARD MITIGATION GRANT	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.039	H0773	2,226,027	-
SUBTOTAL				2,231,915	-
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.042	G0220	83,709	-
COVID-19 EMERGENCY MANAGEMENT PERFORMANCE GRANTS	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.042	G0210	13,845	-
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.042	CC 22-001	4,460	-
SUBTOTAL				102,014	-
HOMELAND SECURITY GRANT PROGRAM	FLORIDA DIVISION OF EMERGENCY MANAGEMENT	97.067	R0431	41,718	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-15-UC-12-0012	37,437	-
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-16-UC-12-0012	13,551	-
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-17-UC-12-0012	28,916	-
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-18-UC-12-0012	86,108	-
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-19-UC-12-0012	318,816	-
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-20-UC-12-0012	75,147	-
COVID-19 COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-20-UW-12-0012	316,614	-
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	DIRECT	14.218	B-21-UC-12-0012	428,415	-
CDBG ENTITLEMENT GRANTS CLUSTER SUBTOTAL				1,305,004	-
HOME INVESTMENT PARTNERSHIPS PROGRAM	DIRECT	14.239	M-18-DC-12-0225	76,715	76,715
HOME INVESTMENT PARTNERSHIPS PROGRAM	DIRECT	14.239	M-21-DC-12-0225	72,665	19,400
SUBTOTAL				149,380	96,115
U.S. DEPARTMENT OF THE INTERIOR					
PAYMENTS IN LIEU OF TAXES	DIRECT	15.226	N/A	5,847	-
NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION	DIRECT	15.658	N1220CPT0010979	37,193	-

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE - CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal and State Grantor/ Program Title	Pass-Through/ Direct	Assistance Listing Number	Contract / Grant Number	Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF JUSTICE					
COVID-19 CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING PROGRAM	DIRECT	16.034	2020-VD-BX-1256	63,750	-
PREA PROGRAM: DEMONSTRATION PROJECTS TO ESTABLISH "ZERO TOLERANCE" CULTURES FOR SEXUAL ASSAULT IN CORRECTIONAL FACILITIES	DIRECT	16.735	2019-RP-BX-0008	1,398	-
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	DIRECT	16.738	2019-DJ-BX-0672	9,002	-
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	DIRECT	16.738	2020-DJ-BX-0658	101,116	-
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	DIRECT	16.738	15PBJA-21-GG-01339-JAGX	17,914	-
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	FLORIDA DEPARTMENT OF LAW ENFORCEMENT	16.738	2020-JAGC-ESCA-4-5R-160	1,983	-
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	FLORIDA DEPARTMENT OF LAW ENFORCEMENT	16.738	2021-JAGC-ESCA-2-3B-093	34,600	-
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	FLORIDA DEPARTMENT OF LAW ENFORCEMENT	16.738	2021-JAGC-ESCA-4-3B-141	13,364	-
SUBTOTAL				177,979	-
U.S. DEPARTMENT OF TRANSPORTATION					
HIGHWAY PLANNING AND CONSTRUCTION	FLORIDA DEPARTMENT OF TRANSPORTATION	20.205	G0W17	11,260	-
HIGHWAY PLANNING AND CONSTRUCTION	FLORIDA DEPARTMENT OF TRANSPORTATION	20.205	G0O72	9,509	-
HIGHWAY PLANNING AND CONSTRUCTION	FLORIDA DEPARTMENT OF TRANSPORTATION	20.205	G1S41	235,198	-
RECREATIONAL TRAILS PROGRAM	FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION	20.219	T1835	60,744	-
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER SUBTOTAL				316,711	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-90-X759-00	246,947	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-90-X877-00	1,097,893	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-2017-003	31,602	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-90-X938-00	30,702	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-90-X990-00	35,310	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-2019-059-00	36,000	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-2020-052-00	29,235	-
COVID-19 FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-2020-056-00	1,515,665	-
FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-2022-007-00	1,388,965	-
COVID-19 FEDERAL TRANSIT FORMULA GRANTS	DIRECT	20.507	FL-2022-008-00	1,657,988	-
BUS AND BUS FACILITIES FORMULA PROGRAM	DIRECT	20.526	FL-34-0030-00	4,025	-
BUS AND BUS FACILITIES FORMULA PROGRAM	DIRECT	20.526	FL-2017-005-00	479,799	-
BUS AND BUS FACILITIES FORMULA PROGRAM	DIRECT	20.526	FL-2020-109-00	178,431	-
FEDERAL TRANSIT CLUSTER SUBTOTAL				6,732,562	-
COVID-19 FORMULA GRANTS FOR RURAL AREAS	FLORIDA DEPARTMENT OF TRANSPORTATION	20.509	G1M14	252,392	-
FORMULA GRANTS FOR RURAL AREAS	FLORIDA DEPARTMENT OF TRANSPORTATION	20.509	G2755	52,589	-
SUBTOTAL				304,981	-
ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	FLORIDA DEPARTMENT OF TRANSPORTATION	20.513	1001-2019-6 FY2020 5310	201,523	-
ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	FLORIDA DEPARTMENT OF TRANSPORTATION	20.513	FL-2018-076-00	118,490	-
COVID-19 ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	FLORIDA DEPARTMENT OF TRANSPORTATION	20.513	G2651	65,185	-
TRANSIT SERVICES PROGRAM CLUSTER SUBTOTAL				385,198	-
U.S. DEPARTMENT OF THE TREASURY					
RESOURCES AND ECOSYSTEMS SUSTAINABILITY, TOURIST OPPORTUNITIES, AND REVIVED ECONOMIES OF THE GULF COAST STATES	DIRECT	21.015	RDCGR080046	443,576	-
RESOURCES AND ECOSYSTEMS SUSTAINABILITY, TOURIST OPPORTUNITIES, AND REVIVED ECONOMIES OF THE GULF COAST STATES	DIRECT	21.015	RDCGR080049	792,156	-
RESOURCES AND ECOSYSTEMS SUSTAINABILITY, TOURIST OPPORTUNITIES, AND REVIVED ECONOMIES OF THE GULF COAST STATES	DIRECT	21.015	RDCGR080054	708,695	-
RESOURCES AND ECOSYSTEMS SUSTAINABILITY, TOURIST OPPORTUNITIES, AND REVIVED ECONOMIES OF THE GULF COAST STATES	DIRECT	21.015	RDCGR080135	321,762	-
RESOURCES AND ECOSYSTEMS SUSTAINABILITY, TOURIST OPPORTUNITIES, AND REVIVED ECONOMIES OF THE GULF COAST STATES	DIRECT	21.015	RDCGR080136	892	-
RESOURCES AND ECOSYSTEMS SUSTAINABILITY, TOURIST OPPORTUNITIES, AND REVIVED ECONOMIES OF THE GULF COAST STATES	DIRECT	21.015	RDCGR080139	1,742	-
RESOURCES AND ECOSYSTEMS SUSTAINABILITY, TOURIST OPPORTUNITIES, AND REVIVED ECONOMIES OF THE GULF COAST STATES	DIRECT	21.015	RDCGR080164	1,140	-
SUBTOTAL				2,269,963	-
COVID-19 EMERGENCY RENTAL ASSISTANCE PROGRAM	DIRECT	21.023	ERAP 1	2,005,621	-
COVID-19 EMERGENCY RENTAL ASSISTANCE PROGRAM	DIRECT	21.023	ERAP 2	2,117,580	-
SUBTOTAL				4,123,201	-
COVID-19 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	DIRECT	21.027	ARPA	4,297,138	-
U.S. ELECTION ASSISTANCE COMMISSION					
2018 HAVA ELECTION SECURITY GRANTS	FLORIDA DEPARTMENT OF STATE	90.404	22.e.es.000.016	1,113	-
2018 HAVA ELECTION SECURITY GRANTS	FLORIDA DEPARTMENT OF STATE	90.404	21.e.es.000.033	17,556	-
SUBTOTAL				18,669	-

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE - CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal and State Grantor/ Program Title	Pass-Through/ Direct	Assistance Listing Number	Contract / Grant Number	Expenditures	Expenditures to Subrecipients
U.S. ENVIRONMENTAL PROTECTION AGENCY					
GULF COAST ECOSYSTEM RESTORATION COUNCIL COMPREHENSIVE PLAN COMPONENT	DIRECT	66.130	00D81118	700,485	-
GULF OF MEXICO PROGRAM	DIRECT	66.475	01D08220	34,371	-
BROWNFIELDS ASSESSMENT AND CLEANUP COOPERATIVE AGREEMENTS	DIRECT	66.818	02D09521	1,765	-
U.S. EXECUTIVE OFFICE OF THE PRESIDENT					
HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM	DIRECT	95.001	G21GC0007A	19,832	-
TOTAL FEDERAL FINANCIAL ASSISTANCE				\$ 87,381,154	\$ 96,115
STATE FINANCIAL ASSISTANCE					
EXECUTIVE OFFICE OF THE GOVERNOR					
EMERGENCY MANAGEMENT PROGRAMS	DIRECT	31.063	A0164	\$ 78,305	\$ -
EMERGENCY MANAGEMENT PROGRAMS	DIRECT	31.063	A0257	28,097	-
SUBTOTAL				106,402	-
HURRICANE LOSS MITIGATION PROGRAM	DIRECT	31.066	B0116	103,893	-
EMERGENCY MANAGEMENT PROJECTS	DIRECT	31.067	T0142	8,390	-
FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES					
MOSQUITO CONTROL	DIRECT	42.003	28446	38,025	-
FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY					
ECONOMIC DEVELOPMENT PARTNERSHIPS	DIRECT	40.040	S0114	19,259	-
SUBTOTAL					
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION					
BEACH MANAGEMENT FUNDING ASSISTANCE PROGRAM	DIRECT	37.003	19ES2	131,685	-
STATEWIDE SURFACE WATER RESTORATION AND WASTEWATER PROJECTS	DIRECT	37.039	S0878	260,056	-
OFFICE OF WATER POLICY AND ECOSYSTEM RESTORATION - FLORIDA WATER ESTUARY PROGRAM PROJECTS	DIRECT	37.039	OWP02	235,370	225,538
SUBTOTAL				495,426	225,538
EARLY RESTORATION DEEPWATER HORIZON OIL SPILL	DIRECT	37.081	S0779	40,310	-
FLORIDA DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION					
COACH AARON FEIS GUARDIAN PROGRAM	DIRECT	48.140	96Z-90210-9D001	88,297	-
FLORIDA DEPARTMENT OF HEALTH					
EMERGENCY MEDICAL SERVICES (EMS) MATCHING AWARDS	DIRECT	64.003	M0050	136,545	-
FLORIDA DEPARTMENT OF LAW ENFORCEMENT					
FLORIDA INCIDENT BASED REPORTING SYSTEM	DIRECT	71.043	2021-FBSFA-F2-032	165,162	-
FLORIDA DEPARTMENT OF MANAGEMENT SERVICES					
E911 STATE GRANT PROGRAM	DIRECT	72.002	S17-21-02-14	429,632	-
E911 STATE GRANT PROGRAM	DIRECT	72.002	S17-21-02-13	159,900	-
SUBTOTAL				589,532	-
PREPAID NEXT GENERATION 911 (NG911) STATE GRANT PROGRAM	DIRECT	72.003	S21-22-05-14	275,861	-
PREPAID NEXT GENERATION 911 (NG911) STATE GRANT PROGRAM	DIRECT	72.003	S17-21-02-55	70,625	-
SUBTOTAL				346,486	-
FLORIDA DEPARTMENT OF STATE AND SECRETARY OF STATE					
STATE AID TO LIBRARIES	DIRECT	45.030	22-ST-92	105,143	-
FLORIDA DEPARTMENT OF TRANSPORTATION					
COMMISSION FOR THE TRANSPORTATION DISADVANTAGED (CTD) TRIP AND EQUIPMENT GRANT PROGRAM	DIRECT	55.001	G1X66	483,102	-
COMMISSION FOR THE TRANSPORTATION DISADVANTAGED (CTD) TRIP AND EQUIPMENT GRANT PROGRAM	DIRECT	55.001	G2A04	171,470	-
SUBTOTAL				654,572	-
PUBLIC TRANSIT BLOCK GRANT PROGRAM	DIRECT	55.010	G2399	1,085,115	-
TRANSIT CORRIDOR PROGRAM	DIRECT	55.013	G1T11	131,608	-
TRANSIT CORRIDOR PROGRAM	DIRECT	55.013	G2395	297,569	-
SUBTOTAL				429,177	-

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE - CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal and State Grantor/ Program Title	Pass-Through/ Direct	Assistance Listing Number	Contract / Grant Number	Expenditures	Expenditures to Subrecipients
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION					
DERELICT VESSEL REMOVAL PROGRAM	DIRECT	77.005	20400	3,628	-
DERELICT VESSEL REMOVAL PROGRAM	DIRECT	77.005	21126	5,423	-
DERELICT VESSEL REMOVAL PROGRAM	DIRECT	77.005	21137	9,950	-
DERELICT VESSEL REMOVAL PROGRAM	DIRECT	77.005	21170	9,791	-
DERELICT VESSEL REMOVAL PROGRAM	DIRECT	77.005	21240	5,815	-
DERELICT VESSEL REMOVAL PROGRAM	DIRECT	77.005	POBA2E9F	2,968	-
SUBTOTAL				37,575	-
ARTIFICIAL REEF GRANTS PROGRAM	DIRECT	77.007	15104	7,800	-
FLORIDA HOUSING FINANCE CORPORATION					
STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM (SHIP)	DIRECT	40.901	2020 SHIP	95,825	-
STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM (SHIP)	DIRECT	40.901	2021 SHIP	190,438	-
STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM (SHIP)	DIRECT	40.901	2022 SHIP	448,540	36,700
SUBTOTAL				734,803	36,700
TOTAL STATE FINANCIAL ASSISTANCE				\$ 5,323,597	\$ 262,238
TOTAL FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE				\$ 92,704,751	\$ 358,353

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

ESCAMBIA COUNTY FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE A – BASIS OF PRESENTATION

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of Escambia County, Florida, under programs of the federal and state government for the year ended September 30, 2022. Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Escambia County, Florida, did not elect to utilize the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE C – MATCH

The County's match on Federal Transit Administration grants is received from the State of Florida as a non-cash award via Florida Toll Road Credits.

NOTE D – EXPENDITURES INCURRED IN PRIOR FISCAL YEAR

Total Federal Assistance Listing No. 97.036 expenditures of \$206,103, \$58,885,982 and \$385,357 for contracts 15-SP-8Z-01-27-02-514, Z2564 and Z1785, respectively, were incurred in a prior fiscal year and obligated by FEMA in the current fiscal year.

**ESCAMBIA COUNTY FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

A. SUMMARY OF AUDITOR RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: Unmodified Opinion
Internal control over financial reporting:
Material weakness(es) identified? _____ yes ☒ no
Significant deficiency (ies) identified that are
not considered to be material weakness(es)? _____ yes ☒ none reported

Noncompliance material to financial statements
noted? _____ yes ☒ no

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Internal control over major programs:
Material weakness(es) identified? _____ yes ☒ no
Significant deficiency(ies) identified that are
not considered to be material weakness(es)? _____ yes ☒ none reported

Type of auditors' report issued on compliance
for major programs: Unmodified Opinion

Any audit findings disclosed that are required
to be reported in accordance with the Uniform
Guidance or Chapter 10.550, Rules of
the Auditor General? _____ yes ☒ no

IDENTIFICATION OF MAJOR PROGRAM

Federal Program

Federal Assistance Listing No. 20.507/20.526 Federal Transit Cluster
Federal Assistance Listing No. 21.023 Emergency Rental Assistance Program
Federal Assistance Listing No. 21.027 Coronavirus State and local Fiscal Recovery Funds
Federal Assistance Listing No. 97.036 Disaster – Public Assistance

Dollar threshold used to distinguish
between type A and type B programs: \$ 2,621,435

Auditee qualified as low-risk auditee? ☒ yes _____ no

**ESCAMBIA COUNTY FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

A. SUMMARY OF AUDITOR RESULTS – CONTINUED

State Projects

State Assistance Listing No. 40.901 State Housing Initiatives Partnership Program
State Assistance Listing No. 55.010 Public Transit Block Grant Program
State Assistance Listing No. 72.002 E911 State Grant Program
State Assistance Listing No. 72.003 Prepaid Next Generation (NG911) State Grant Program

Dollar threshold used to distinguish
between type A and type B projects: \$ 750,000

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. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

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

D. FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS

There were no findings, which were required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*.

Supporting Financial Statements

The following Statements and Compliance Reports are presented to demonstrate compliance with the rules of the General Auditor of the State of Florida:

Clerk of the Circuit Court and Comptroller

Property Appraiser

Sheriff

Supervisor of Elections

Tax Collector



**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

SEPTEMBER 30, 2022

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA, CLERK OF THE CIRCUIT COURT AND COMPTROLLER
SEPTEMBER 30, 2022**

TABLE OF CONTENTS

Independent Auditors' Report	1
Financial Statements	
Balance Sheet – Governmental Funds.....	4
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.....	5
Internal Service Fund	
Statement of Net Position.....	6
Statement of Revenues, Expenses and Changes in Net Position	7
Statement of Cash Flows.....	8
Custodial Funds	
Statement of Fiduciary Net Position	9
Statement of Changes in Fiduciary Net Position.....	10
Notes to the Financial Statements.....	11
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.....	19
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Public Records Modernization Fund.....	20
Notes to Required Supplementary Information.....	21
Other Supplementary Information	
Combining and Individual Fund Financial Statements and Schedules	
Combining Balance Sheet – General Fund by Category.....	22
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund by Category.....	23
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund by Category.....	24
Combining Statement of Fiduciary Net Position – Custodial Funds.....	27
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds.....	28
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 <i>Government Auditing Standards</i>	29
Independent Accountants' Report on Examination of Compliance Requirements Performed in Accordance with Chapter 10.550, Rules of the Auditor General	31
Management Letter	32
Schedule of Findings and Responses	34

INDEPENDENT AUDITORS' REPORT

Honorable Pam Childers
Escambia County, Florida, Clerk of the Circuit Court and Comptroller

Opinions

We have audited the accompanying financial statements of each major fund, and the aggregate remaining fund information of the Office of the Clerk of the Circuit Court and Comptroller of Escambia County, Florida ("the Clerk"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Clerk's 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 each major fund and the aggregate remaining fund information of the Clerk, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof 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 (GAAS) and the standards applicable to the 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 Clerk, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above have been prepared for the purpose of complying with the Rules of the Auditor General, State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Escambia County, Florida, that are attributable to the Clerk. They do not purport to and do not present fairly the financial position of Escambia County, Florida, as of September 30, 2022, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk'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 Clerk'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 budgetary comparison information be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context.

Required Supplementary Information – Continued

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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's financial statements. The combining and individual fund financial statements and the combining budget to actual schedule for the general fund by category are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and combining budget to actual schedule for the general fund by category are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts and grant agreements and other matters included under the heading: *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards*. 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 Clerk's internal control over financial reporting and compliance.

Warren Averett, LLC

Pensacola, Florida
January 12, 2023

Financial Statements

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2022

	Major Funds		
	General Fund	Public Records Modernization Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 5,127,656	\$ 5,870,433	\$ 10,998,089
Accounts receivable, net	674	-	674
Due from other governmental units	30,391	87,746	118,137
Total assets	<u>\$ 5,158,721</u>	<u>\$ 5,958,179</u>	<u>\$ 11,116,900</u>
LIABILITIES			
Accounts payable	\$ 204,361	\$ 134,157	\$ 338,518
Contracts payable	2,666	-	2,666
Accrued liabilities	179,216	8,398	187,614
Due to other governmental units	2,591,486	-	2,591,486
Due to BOCC	1,815,979	-	1,815,979
Other current liabilities	365,013	-	365,013
Total liabilities	5,158,721	142,555	5,301,276
FUND BALANCES			
Restricted for:			
Records modernization technology	-	5,815,624	5,815,624
Total fund balances	-	5,815,624	5,815,624
Total liabilities and fund balances	<u>\$ 5,158,721</u>	<u>\$ 5,958,179</u>	<u>\$ 11,116,900</u>

See notes to financial statements.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2022

	Major Funds		
	General Fund	Public Records Modernization Fund	Total Governmental Funds
REVENUES			
Intergovernmental	\$ 454,116	\$ 472,189	\$ 926,305
Charges for services	7,000,717	937,241	7,937,958
Judgments, fines and forfeitures	1,627,316	-	1,627,316
Investment income	465,006	-	465,006
Miscellaneous revenue	264,458	482,812	747,270
Total revenues	9,811,613	1,892,242	11,703,855
EXPENDITURES			
Current:			
General government:			
Salaries and benefits	4,001,304	-	4,001,304
Operating expenditures	1,340,894	-	1,340,894
Court related:			
Salaries and benefits	5,620,174	622,255	6,242,429
Operating expenditures	544,393	108,098	652,491
Payments to State	1,060,666	-	1,060,666
Total expenditures	12,567,431	730,353	13,297,784
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,755,818)	1,161,889	(1,593,929)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,528,695	-	3,528,695
Transfers out	(1,392,291)	-	(1,392,291)
Total other financing sources (uses)	2,136,404	-	2,136,404
NET CHANGE IN FUND BALANCES	(619,414)	1,161,889	542,475
FUND BALANCES, OCTOBER 1, 2021	619,414	4,653,735	5,273,149
FUND BALANCES, SEPTEMBER 30, 2022	\$ -	\$ 5,815,624	\$ 5,815,624

See notes to financial statements.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**INTERNAL SERVICE FUND
STATEMENT OF NET POSITION**

SEPTEMBER 30, 2022

ASSETS

Current assets

Cash and cash equivalents	\$ 743,051
---------------------------	------------

LIABILITIES

Current liabilities

Compensated absences payable	74,305
------------------------------	--------

Noncurrent liabilities

Compensated absences payable	668,746
------------------------------	---------

Total liabilities

743,051

NET POSITION

Unrestricted

-

Total net position

\$ -

See notes to financial statements.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

YEAR ENDED SEPTEMBER 30, 2022

OPERATING REVENUES

Charges for services	\$ 167,809
----------------------	------------

OPERATING EXPENSES

Personnel services	<u>167,809</u>
--------------------	----------------

Operating income (loss)	<u>-</u>
-------------------------	----------

Changes in net position	-
-------------------------	---

Net position – beginning	<u>-</u>
--------------------------	----------

Net position – ending	<u><u>\$ -</u></u>
-----------------------	--------------------

See notes to financial statements.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS**

YEAR ENDED SEPTEMBER 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Net reimbursement for personal services paid by Court Fund	<u>\$ (97,838)</u>
Net decrease in cash and cash equivalents	(97,838)
Cash and cash equivalents, beginning of year	<u>840,889</u>
Cash and cash equivalents, end of year	<u><u>\$ 743,051</u></u>

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
USED IN OPERATING ACTIVITIES**

Decrease in compensated absences payable	<u>(97,838)</u>
Net cash used in operating activities	<u><u>\$ (97,838)</u></u>

See notes to financial statements.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS

SEPTEMBER 30, 2022

ASSETS

Cash and cash equivalents	<u>\$ 10,117,661</u>
Total assets	<u>10,117,661</u>

LIABILITIES

Cash bonds payable	22,233
Court registry payable	348,225
Real auction payable	113,574
Other	<u>3,030</u>
Total liabilities	<u>487,062</u>

NET POSITION

Restricted for:	
Cash bonds	838,043
Court registry	8,727,540
Witness/Jury	36,275
Restitution	22,275
General trust	<u>6,466</u>
Total net position	<u><u>\$ 9,630,599</u></u>

See notes to financial statements.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS

YEAR ENDED SEPTEMBER 30, 2022

ADDITIONS

Deposits in court registry	\$ 21,311,072
Deposits for real auction	3,359,839
Deposits for tax deeds	4,801
Deposits for restitution	206,267
Payments from State	66,744
Deposits for bonds	987,472
Deposits for overpayments	646,528
	<hr/>
Total additions	26,582,723

DEDUCTIONS

Release of bonds	574,606
Refunds of overpayments	646,555
Payment for jurors	2,730
Payments for witnesses	58,884
Payments to victims	208,362
Auction refunds	2,719,475
Court-ordered disbursements	20,819,788
	<hr/>
Total deductions	25,030,400
	<hr/>
Changes in net position	1,552,323
Net position – beginning	8,078,276
	<hr/>
Net position – ending	\$ 9,630,599

See notes to financial statements.

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The following is a summary of the significant principles and policies used in the preparation of these financial statements.

A. Reporting entity

The Escambia County, Florida, Clerk of the Circuit Court and Comptroller (the “Clerk”) is an elected constitutional officer as provided by Article VIII, Section 1 (d) of the Constitution of the State of Florida.

For financial reporting purposes, the Clerk is deemed to be a part of the primary government of Escambia County, Florida (the County), and therefore, is included as such in the Escambia County, Florida, Comprehensive Annual Financial Report.

B. Basis of presentation – fund financial statements

These financial statements have been prepared for the purpose of complying with the Rules of the Auditor General, State of Florida, which require presentation of *fund-level* only financial statements, and permit omission of entity-wide full accrual financial statements and management’s discussion and analysis. Therefore, these financial statements are intended to present only the financial position and changes in financial position of that portion of Escambia County, Florida, that relate to transactions of the Clerk and are not intended to present the financial position and changes in financial position of Escambia County, Florida, taken as a whole.

The Clerk’s financial records and accounts are maintained in accordance with the principles of “fund accounting,” whereby resources are classified for accounting and reporting purposes into funds to insure compliance with any special restrictions or limitations on the use of such resources. The Clerk’s major funds are defined as follows:

The **General Fund** – a governmental fund, which is used to account for and report all financial resources of the Clerk not accounted for and reported in other funds.

The **Public Records Modernization Fund** – a special revenue fund, which accounts for monies collected according to Chapter 28.24, Florida Statutes to be used exclusively for the purchase and maintenance of equipment, personal training and technical assistance in modernizing the official records system, and for funding court-related technology needs of the Clerk as defined in Chapter 29.008, Florida Statutes. Also included in the special revenue fund are activities related to Title IV-D child support cases. Title IV-D funding provides assistance to the plaintiff and enforcement of collections through the Office of Child Support Enforcement.

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)

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

Additionally, the Clerk reports the following fund types:

Custodial Funds – are used to account for assets received and held by the Clerk as an agent for individuals, private organizations and other governments.

Internal Service Fund – is a proprietary fund that accounts for the balances and activity related to the court-related personnel compensated absences policies.

C. Measurement focus and basis of accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements, and also refers to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when received in cash or when they become both measurable and available to finance expenditures of the current period.

The Clerk considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Expenditures are recorded when the liability is incurred, except for compensated absences for non-court related activities, which are not recorded until paid by the General Fund. Court-related compensated absences are accrued when earned in the internal service fund.

The accounting and financial reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that generally, only current assets, deferred outflows, current liabilities and deferred inflows are included in the balance sheet. Governmental fund operating statements present increases (revenues, inflows and other financing sources) and decreases (expenditures, outflows and other financing uses) in fund balance. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

Proprietary funds (the internal service fund) are reported using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from nonoperating items. The principal operating revenues of the internal service fund are charges related to the Clerk’s court-related compensated absences activity.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Capital asset acquisitions are recorded as expenditures in governmental funds.

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)

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

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make use of estimates that affect the reported amounts in the financial statements and note disclosures. Actual results could differ from estimates.

D. Fund balance and flow assumptions

Fund balance at September 30, 2022, consists of the following:

Nonspendable fund balance – include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. Nonspendable in governmental fund types typically are for inventories and prepaid items. As of September 30, 2022, the Clerk had no non-spendable fund balances.

Restricted fund balance – include amounts that can be spent only for specific purposes which are externally imposed by creditors, grantors, contributors or laws or regulations, or are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – include amounts that can only be used for the specific purpose determined by a formal action of the Clerk's highest level of decision-making authority. Commitments may be changed or lifted only by the Clerk taking the same formal action that imposed the constraint originally. As of September 30, 2022, the Clerk had no committed fund balances.

Assigned fund balance – include amounts intended to be used by the Clerk for specific purposes, but which do not meet any of the criterion to be considered either restricted or committed. As of September 30, 2022, the Clerk had no assigned fund balance.

Unassigned fund balance – is the residual classification of the general fund only and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Periodically, the Clerk may fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Clerk's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)

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

E. Capital assets

Capital assets (vehicles, equipment and other property costing at least \$5,000 with a useful life of more than one year) and intangible assets costing at least \$5,000 are recorded as expenditures at the time of purchase. These assets are capitalized at cost and depreciated or amortized in Escambia County's government-wide financial statements. The Clerk maintains custodial responsibility for the capital assets used by the Clerk.

F. Accumulated compensated absences

Employees may accumulate, subject to limitations, amounts of earned, but unused sick leave, annual leave and compensatory time, which will be paid upon separation from service. The amount of vested accumulated compensated absences payable (related to governmental fund activities) based upon the Clerk's paid-time-off policy is reported as a liability in the statement of net position in the County's government-wide financial statements. That liability includes earned but unused vacation and sick time, as well as FICA taxes and retirement contributions related thereto.

The court-related portion of compensated absences are recorded in the internal service fund, which was established to accumulate resources for such payment in future years.

G. Funding provided by the State of Florida and Board of County Commissioners

The Clerk and Comptroller functions are funded by two primary sources, the State of Florida and the Board of County Commissioners (the "BOCC").

The State provides operating funds for court-side activities of the Clerk through a State of Florida Clerk of Court Trust Fund. Clerks retain their revenues up to the budget amount appropriated from the trust fund. Also, any shortage of revenues up to the approved budget is funded by the trust fund. Excess revenues above the appropriation are returned to the State.

The Board of County Commissioners funds operating activities and capital expenditures for the comptroller functions. The Clerk submits a proposed budget to the Board for approval for each fiscal year. Funding by the Board is recorded as a "transfer out" in the financial statements of the County and as a "transfer in" on the financial statements of the Clerk.

Florida Statutes require that the excess of the Board's appropriations (and other revenues) over expenditures be returned to the Board at the end of the fiscal year.

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

2. Cash Deposits with Financial Institutions

Cash and cash equivalents are highly liquid investments with original maturities of three months or less when purchased. Investments are recorded at fair value.

The investment of surplus funds is governed by the provisions of Florida Statute 218.415, as to the type of investments that can be made. Deposits may be exposed to custodial credit risk, which is the risk of loss in the event of a bank failure.

The Clerk manages custodial credit risk by maintaining its deposits in financial institutions designated as "Qualified Public Depositories" by the State Treasurer.

The Clerk's cash deposits are held by banks, which qualify as public depositories under the Florida Security for Public Deposits Act, as required by Chapter 280, Florida Statutes. All of the Clerk's deposits are fully insured by the Public Deposit Trust Fund.

At September 30, 2022, the reported amount of the Clerk's deposits was approximately \$21.9 million, and the bank balance was approximately \$23.4 million, consisting entirely of cash and deposit accounts.

3. Interfund Receivables, Payables and Transfers

Interfund receivables and payables consist of amounts due to or from funds during the normal course of business. At September 30, 2022, there were no interfund receivables or payables within the Clerk's funds. Transfers consist of \$3,528,695 of "Transfers in" from the Board of County Commissioners and "Transfers out" of excess budget and fees totaling \$1,392,291, which is included in "Due to BOCC" as of year end.

4. Due From/To Other Governments

Based on the legal opinion provided by Clerks of Court Operations Corporation, general counsel of the provisions of Section 28.37(3), Florida Statute, which was adopted as a policy by the CCOC Finance and Budget Committee, excess court-related funds of \$1,456,721 have been included in "Due to other governmental units".

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)

5. Retirement Plan

The Clerk participates in the Florida Retirement System (FRS), administered by the Florida Department of Management Services. The FRS was established in 1970 by Chapter 121, Florida Statutes. Changes to the FRS can only be made by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The State of Florida issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for FRS. The report may be obtained on the division's website at <http://www.dms.myflorida.com>. The report may also be obtained by contacting the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000.

Employees elect participation in either the defined benefit plan (Pension Plan), a multiple-employer, cost-sharing defined benefit retirement plan, or the defined contribution plan (Investment Plan). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university community college or a participating city or special district within the State of Florida.

The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members' highest five or eight fiscal years of earnings, depending upon enrollment date. A post-employment health insurance subsidy is also provided to eligible retired members through the FRS in accordance with Florida Statutes.

For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service, or to those employees who have at least 30 years of creditable service, regardless of age.

For employees who were enrolled in the plan after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service, or to those employees who have at least 33 years of creditable service, regardless of age.

Early retirement is available for vested members with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class.

In addition to the above benefits, the Deferred Retirement Option Program (DROP) is available under the Pension Plan when the member first reaches eligibility for normal retirement. This program allows eligible members to defer receipt of monthly retirement benefit payments, while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate.

For those members who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. The Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class.

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Retirement Plan (Continued)

Members in the Investment Plan decide how their funds are allocated between various investment accounts and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program.

The contribution requirements of the Clerk and members are established and may be amended by FRS. Both plans are contributory for employees and require a 3% employee contribution. This is in addition to the contributions that are the obligation of the employer. The Clerk's contributions to FRS for the years ended September 30, 2022, 2021 and 2020, were \$962,740, \$875,158, and \$781,106, respectively, equal to the required contributions for each year.

The contribution rates in effect during the period ended September 30, 2022, 2021, and 2020, were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Regular Class</u>	11.91%	10.82%	10.00%
Members not qualifying for other classes			
<u>Senior Management Class</u>	31.57%	29.01%	27.29%
Members of senior management who do not elect the optional annuity retirement program			
<u>Elected Officials Class</u>	57.00%	51.42%	49.18%
Certain elected county officials			
<u>Deferred Retirement Option Program (DROP)</u>	18.60%	18.34%	16.98%
Members are enrolled in DROP from FRS			

Net Pension Obligation – Proportionate Share

The Clerk has a net FRS pension liability determined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the governmental funds. All required disclosures and schedules may be found in the Comprehensive Annual Financial Report of Escambia County, Florida.

ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)

6. Other Post-Employment Benefits (OPEB), Other than Pensions

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Clerk's Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower-cost employees. This implicit subsidy has a cost; however, this annual cost, and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County, as a whole and not separately for the Clerk's Office. Accordingly, these calculations and disclosures can be found in the County's Comprehensive Annual Financial Report.

7. Risk Management

The County has a risk management program to insure claims against the BOCC, Constitutional Officers and Santa Rosa Island Authority for the following types of risks:

Workers' Compensation – The County is covered for workers' compensation claims through a policy with the Florida Municipal Insurance Trust. Coverage limits under the policy include statutory limits, as well as \$1,000,000 bodily injury for each accident and \$1,000,000 bodily injury by disease for each employee with an aggregate \$1,000,000 policy limit.

Casualty and Property – Casualty limits are self-insured for \$200,000 per claim with a \$300,000 aggregate limit. Property limits are \$50,000 - \$250,000 self-insured retentions per occurrence with excess limits of \$45 million including wind.

There also were no significant reductions in insurance coverage from the prior year and there have been no settlements which exceeded the Clerk's insurance coverage in any of the past three fiscal years.

8. Litigation

From time to time, the Clerk may be involved as a defendant in certain litigation and claims arising from the ordinary course of operations. In the opinion of legal counsel, there are no lawsuits or claims outstanding, which will have a material adverse effect on the financial position of the Clerk.

Required Supplementary Information

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND**

YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 342,906	\$ 342,906	\$ 454,116	\$ 111,210
Charges for services	6,425,734	6,425,734	7,000,717	574,983
Judgments, fines and forfeitures	1,705,000	1,705,000	1,627,316	(77,684)
Investment income	390,100	390,100	465,006	74,906
Miscellaneous	270,477	270,477	264,458	(6,019)
Total revenues	9,134,217	9,134,217	9,811,613	677,396
EXPENDITURES				
Current:				
General government:				
Salaries and benefits	4,468,300	4,468,300	4,001,304	466,996
Operating expenditures	805,649	805,649	1,340,894	(535,245)
Court related:				
Salaries and benefits	6,872,963	6,872,963	5,620,174	1,252,789
Operating expenditures	516,000	516,000	544,393	(28,393)
Payments to State	-	-	1,060,666	(1,060,666)
Total expenditures	12,662,912	12,662,912	12,567,431	95,481
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,528,695)	(3,528,695)	(2,755,818)	581,915
OTHER FINANCING SOURCES (USES)				
Transfers in	3,528,695	3,528,695	3,528,695	-
Transfers out	-	-	(1,392,291)	(1,392,291)
Total other financing sources (uses)	3,528,695	3,528,695	2,136,404	(1,392,291)
NET CHANGE IN FUND BALANCE	-	-	(619,414)	(619,414)
FUND BALANCE, OCTOBER 1, 2021	-	-	619,414	619,414
FUND BALANCE, SEPTEMBER 30, 2022	\$ -	\$ -	\$ -	\$ -

See notes to required supplementary information.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
PUBLIC RECORDS MODERNIZATION FUND**

YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 437,500	\$ 437,500	\$ 472,189	\$ 34,689
Charges for services	780,000	780,000	937,241	157,241
Miscellaneous revenue	-	-	482,812	482,812
Total revenues	1,217,500	1,217,500	1,892,242	674,742
EXPENDITURES				
Current:				
Court related:				
Salaries and benefits	722,000	722,000	622,255	99,745
Operating expenditures	485,500	485,500	108,098	377,402
Capital outlay	10,000	10,000	-	10,000
Total expenditures	1,217,500	1,217,500	730,353	487,147
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,161,889	1,161,889
FUND BALANCE, OCTOBER 1, 2021	-	-	4,653,735	4,653,735
FUND BALANCE, SEPTEMBER 30, 2022	\$ -	\$ -	\$ 5,815,624	\$ 5,815,624

See notes to required supplementary information.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The Clerk's Office operates under budget procedures pursuant to Florida Statutes. Annual budgets are legally adopted for the general fund and the public records modernization fund and are on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level. Budgetary changes within the funds are made at the discretion of the Clerk.

The proposed budget is also prepared, summarized and submitted by the Clerk to the Florida Clerks of Court Operations Corporation. The proposed budget must provide detailed information on the anticipated revenues available and expenditures necessary for the performance of the court-related functions listed in Florida Statute 28.35(3)(a) of the Clerk's office.

Other Supplementary Information

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**COMBINING BALANCE SHEET –
GENERAL FUND BY CATEGORY**

SEPTEMBER 30, 2022

	General Fund	General Fund Court Services	Total General Fund
ASSETS			
Cash and cash equivalents	\$ 2,662,423	\$ 2,465,233	\$ 5,127,656
Accounts receivable	424	250	674
Due from other governmental units	9,175	21,216	30,391
Total assets	<u>\$ 2,672,022</u>	<u>\$ 2,486,699</u>	<u>\$ 5,158,721</u>
LIABILITIES			
Accounts payable	\$ 184,154	\$ 20,207	\$ 204,361
Contracts payable	1,423	1,243	2,666
Accrued liabilities	79,734	99,482	179,216
Due to BOCC	1,511,707	304,272	1,815,979
Due to other governmental units	863,757	1,727,729	2,591,486
Other current liabilities	31,247	333,766	365,013
Total liabilities	2,672,022	2,486,699	5,158,721
FUND BALANCES			
Total fund balances	-	-	-
Total liabilities and fund balances	<u>\$ 2,672,022</u>	<u>\$ 2,486,699</u>	<u>\$ 5,158,721</u>

See independent auditors' report.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GENERAL FUND BY CATEGORY**

YEAR ENDED SEPTEMBER 30, 2022

	General Fund	General Fund Court Services	Total General Fund
REVENUES			
Intergovernmental	\$ -	\$ 454,116	\$ 454,116
Charges for services	2,586,380	4,414,337	7,000,717
Judgments, fines and forfeitures	-	1,627,316	1,627,316
Investment income	-	465,006	465,006
Miscellaneous revenue	-	264,458	264,458
	<hr/>	<hr/>	<hr/>
Total revenues	2,586,380	7,225,233	9,811,613
EXPENDITURES			
Current:			
General government:			
Salaries and benefits	4,001,304	-	4,001,304
Operating expenditures	1,340,894	-	1,340,894
Court related:			
Salaries and benefits	-	5,620,174	5,620,174
Operating expenditures	-	544,393	544,393
Payments to State	-	1,060,666	1,060,666
	<hr/>	<hr/>	<hr/>
Total expenditures	5,342,198	7,225,233	12,567,431
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,755,818)	-	(2,755,818)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,528,695	-	3,528,695
Transfers out	(1,392,291)	-	(1,392,291)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	2,136,404	-	2,136,404
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	(619,414)	-	(619,414)
	<hr/>	<hr/>	<hr/>
FUND BALANCES, OCTOBER 1, 2021	619,414	-	619,414
	<hr/>	<hr/>	<hr/>
FUND BALANCES, SEPTEMBER 30, 2022	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See independent auditors' report.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND BY CATEGORY**

YEAR ENDED SEPTEMBER 30, 2022

	General Fund		
	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	1,745,254	1,745,254	2,586,380
Judgments, fines and forfeitures	-	-	-
Investment income	-	-	-
Miscellaneous revenue	-	-	-
Total revenues	1,745,254	1,745,254	2,586,380
EXPENDITURES			
Current:			
General government:			
Salaries and benefits	4,468,300	4,468,300	4,001,304
Operating expenditures	805,649	805,649	1,340,894
Court related:			
Salaries and benefits	-	-	-
Operating expenditures	-	-	-
Payments to State	-	-	-
Total expenditures	5,273,949	5,273,949	5,342,198
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,528,695)	(3,528,695)	(2,755,818)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,528,695	3,528,695	3,528,695
Transfers out	-	-	(1,392,291)
Total other financing sources (uses)	3,528,695	3,528,695	2,136,404
NET CHANGE IN FUND BALANCE	-	-	(619,414)
FUND BALANCE, OCTOBER 1, 2021	-	-	619,414
FUND BALANCE, SEPTEMBER 30, 2022	\$ -	\$ -	\$ -

See independent auditors' report.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND BY CATEGORY**

**YEAR ENDED SEPTEMBER 30, 2022
(Continued)**

	General Fund – Court Services		
	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Intergovernmental	\$ 342,906	\$ 342,906	\$ 454,116
Charges for services	4,680,480	4,680,480	4,414,337
Judgments, fines and forfeitures	1,705,000	1,705,000	1,627,316
Investment income	390,100	390,100	465,006
Miscellaneous revenue	270,477	270,477	264,458
Total revenues	7,388,963	7,388,963	7,225,233
EXPENDITURES			
Current:			
General government:			
Salaries and benefits	-	-	-
Operating expenditures	-	-	-
Court related:			
Salaries and benefits	6,872,963	6,872,963	5,620,174
Operating expenditures	516,000	516,000	544,393
Payments to State	-	-	1,060,666
Total expenditures	7,388,963	7,388,963	7,225,233
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE, OCTOBER 1, 2021	-	-	-
FUND BALANCE, SEPTEMBER 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND BY CATEGORY**

**YEAR ENDED SEPTEMBER 30, 2022
(Continued)**

	Total General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 342,906	\$ 342,906	\$ 454,116	\$ 111,210
Charges for services	6,425,734	6,425,734	7,000,717	574,983
Judgments, fines and forfeitures	1,705,000	1,705,000	1,627,316	(77,684)
Investment income	390,100	390,100	465,006	74,906
Miscellaneous revenue	270,477	270,477	264,458	(6,019)
Total revenues	9,134,217	9,134,217	9,811,613	677,396
EXPENDITURES				
Current:				
General government:				
Salaries and benefits	4,468,300	4,468,300	4,001,304	466,996
Operating expenditures	805,649	805,649	1,340,894	(535,245)
Court related:				
Salaries and benefits	6,872,963	6,872,963	5,620,174	1,252,789
Operating expenditures	516,000	516,000	544,393	(28,393)
Payments to State	-	-	1,060,666	(1,060,666)
Total expenditures	12,662,912	12,662,912	12,567,431	95,481
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,528,695)	(3,528,695)	(2,755,818)	772,877
OTHER FINANCING SOURCES (USES)				
Transfers in	3,528,695	3,528,695	3,528,695	-
Transfers out	-	-	(1,392,291)	(1,392,291)
Total other financing sources (uses)	3,528,695	3,528,695	2,136,404	(1,392,291)
NET CHANGE IN FUND BALANCE	-	-	(619,414)	(619,414)
FUND BALANCE, OCTOBER 1, 2021	-	-	619,414	619,414
FUND BALANCE, SEPTEMBER 30, 2022	\$ -	\$ -	\$ -	\$ -

See independent auditors' report.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION –
CUSTODIAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2022

	Custodial Funds				
	Court Registry	Juror and Witness	Restitution	General Trust	Total
ASSETS					
Cash and cash equivalents	<u>\$ 9,189,339</u>	<u>\$ 37,250</u>	<u>\$ 23,413</u>	<u>\$ 867,659</u>	<u>\$ 10,117,661</u>
Total assets	<u>9,189,339</u>	<u>37,250</u>	<u>23,413</u>	<u>867,659</u>	<u>10,117,661</u>
LIABILITIES					
Accounts payable					
Cash bonds payable	-	-	-	22,233	22,233
Court registry payable	348,225	-	-	-	348,225
Real auction payable	113,574	-	-	-	113,574
Other payables	-	975	1,138	917	3,030
Total liabilities	<u>461,799</u>	<u>975</u>	<u>1,138</u>	<u>23,150</u>	<u>487,062</u>
NET POSITION					
Restricted for:					
Cash bonds	-	-	-	838,043	838,043
Court registry	8,727,540	-	-	-	8,727,540
Jury	-	36,275	-	-	36,275
Restitution	-	-	22,275	-	22,275
General trust	-	-	-	6,466	6,466
Total net position	<u>\$ 8,727,540</u>	<u>\$ 36,275</u>	<u>\$ 22,275</u>	<u>\$ 844,509</u>	<u>\$ 9,630,599</u>

See independent auditors' report.

**ESCAMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
CUSTODIAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2022

	Custodial Funds				
	Court Registry	Juror and Witness	Restitution	General Trust	Total
ADDITIONS					
Deposits in court registry	\$ 21,311,072	\$ -	\$ -	\$ -	\$ 21,311,072
Deposits for real auction	3,359,839	-	-	-	3,359,839
Deposits for jurors	-	4,801	-	-	4,801
Deposits for restitution	-	-	206,267	-	206,267
Payments from State	-	66,744	-	-	66,744
Deposits for bonds	-	-	-	987,472	987,472
Deposits for overpayments	-	-	-	646,528	646,528
Total additions	<u>24,670,911</u>	<u>71,545</u>	<u>206,267</u>	<u>1,634,000</u>	<u>26,582,723</u>
DEDUCTIONS					
Release of bonds	-	-	-	574,606	574,606
Refunds of overpayments	-	-	-	646,555	646,555
Payments for jurors	-	2,730	-	-	2,730
Payments for witnesses	-	58,884	-	-	58,884
Payments to victims	-	-	208,362	-	208,362
Auction refunds	2,719,475	-	-	-	2,719,475
Court ordered disbursements	20,819,788	-	-	-	20,819,788
Total deductions	<u>23,539,263</u>	<u>61,614</u>	<u>208,362</u>	<u>1,221,161</u>	<u>25,030,400</u>
Changes in net position	1,131,648	9,931	(2,095)	412,839	1,552,323
Net position – beginning	7,595,892	26,344	24,370	431,670	8,078,276
Net position – ending	<u>\$ 8,727,540</u>	<u>\$ 36,275</u>	<u>\$ 22,275</u>	<u>\$ 844,509</u>	<u>\$ 9,630,599</u>

See independent auditors' report.

**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**

Honorable Pam Childers
Escambia County, Florida, Clerk of Circuit Court and Comptroller

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 each major fund and the aggregate remaining fund information of the Office of the Clerk of the Circuit Court and Comptroller of Escambia County, Florida (the "Clerk"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Clerk's financial statements, and have issued our report thereon dated January 12, 2023.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

A handwritten signature in cursive script that reads "Warren Averett, LLC".

Pensacola, Florida
January 12, 2023

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

Honorable Pam Childers
Escambia County, Florida, Clerk of Circuit Court and Comptroller

We have examined the Office of the Clerk of the Circuit Court and Comptroller of Escambia County, Florida's (the "Clerk") compliance with Florida Statute 218.415 in regard to investments; Florida Statutes 28.35 and 28.36 in regard to certain court-related functions; and Florida Statute 61.181 in regard to operation of a depository for alimony and child support, for the year ended September 30, 2022. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk'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 Clerk complied, in all material respects, with the specified requirements. An examination involves performing procedures to obtain evidence about whether the Clerk complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

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

Warren Averett, LLC

Pensacola, Florida
January 12, 2023

MANAGEMENT LETTER

Honorable Pam Childers
Escambia County, Florida, Clerk of the Circuit Court and Comptroller

Report on the Financial Statements

We have audited the financial statements of the Office of the Clerk of the Circuit Court and Comptroller of Escambia County, Florida (the "Clerk"), as of and for the year ended September 30, 2022, and have issued our report thereon dated January 12, 2023.

Auditors' Responsibility

We conducted our audit 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 Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 12, 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 or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding audit report.

Financial Management

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 have any such recommendations.

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 which 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, the Clerk and the Escambia County Board of County Commissioners, and is not intended to be, and should not be, used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida

January 12, 2023

**ANNUAL AUDIT REPORT
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
ESCAMBIA COUNTY, FLORIDA**

SCHEDULE OF FINDINGS AND RESPONSES

SEPTEMBER 30, 2022

There were no comments which require management's written response.



**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

CONTENTS

INDEPENDENT AUDITORS' REPORT	1
FUND FINANCIAL STATEMENTS:	
Balance Sheet – Governmental Fund	4
Statement of Revenues, Expenditures and Changes In Fund Balance – Governmental Fund	5
Notes to the Financial Statements	6
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	12
Notes to the Required Supplementary Information	13
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 <i>GOVERNMENT AUDITING STANDARDS</i>	14
INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL.....	16
MANAGEMENT LETTER.....	17
SCHEDULE OF FINDINGS AND RESPONSES	19

INDEPENDENT AUDITORS' REPORT

Honorable Chris Jones
Escambia County Property Appraiser

Opinion

We have audited the financial statements of the general fund of the Escambia County, Florida, Property Appraiser (the Property Appraiser), as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Property Appraiser's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund information for the Property Appraiser as of September 30, 2022, and the respective changes in financial position thereof for the fiscal year then ended, in accordance with accounting principles generally accepted in the United States of America

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Property Appraiser 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund information, but only for that portion of the major funds and the aggregate remaining fund information of Escambia County, Florida, that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Escambia County, Florida, as of September 30, 2022, and the changes in its financial position for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Property Appraiser's ability to continue as a going concern for 12 months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser'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 Property Appraiser'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 budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of

inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2022, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on 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 Property Appraiser's internal control over financial reporting and compliance.

Warren Averett, LLC

Pensacola, Florida
November 21, 2022

FINANCIAL STATEMENTS

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

**BALANCE SHEET
GOVERNMENTAL FUND**

SEPTEMBER 30, 2022

	General Fund
Assets	
Cash	\$ 616,996
Liabilities	
Accounts payable	35,730
Accrued liabilities	106,021
Due to Board of County Commissioners	474,235
Due to other governments	1,010
Total liabilities	616,996
Fund Balance	
Unassigned:	-
Total fund balance	-
Total liabilities and fund balance	\$ 616,996

See notes to the financial statements.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUND**

YEAR ENDED SEPTEMBER 30, 2022

	General Fund
Revenues:	
Charges for services	\$ 15,363
Miscellaneous revenue	<u>2,175</u>
Total Revenues	<u>17,538</u>
Expenditures:	
Current:	
General government:	
Salaries and benefits	5,442,072
Operating expenditures	927,312
Capital outlay	<u>59,600</u>
Total Expenditures	<u>6,428,984</u>
Deficiency of Revenues Over Expenditures	<u>(6,411,446)</u>
Other Financing Sources and (Uses):	
Transfers in	6,885,681
Transfers out	<u>(474,235)</u>
Total Other Financing Sources and (Uses)	<u>6,411,446</u>
Net Change in Fund Balance	-
Fund Balance, October 1, 2021	<u>-</u>
Fund Balance, September 30, 2022	<u><u>\$ -</u></u>

See notes to the financial statements.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant principles and policies used in the preparation of these financial statements.

A. Reporting Entity

The Escambia County, Florida, Property Appraiser (Property Appraiser), is an elected constitutional officer as provided by Article VIII, Section 1 (d) of the Constitution of the State of Florida. The Property Appraiser's budget is submitted to the Florida Department of Revenue (per Florida Statute 195.087) for approval. The Board appropriates and distributes to the Property Appraiser on a quarterly basis the funds necessary to operate the Property Appraiser's office.

For financial reporting purposes, the Property Appraiser is deemed to be a part of the primary government of Escambia County, Florida (the County), and therefore, is included as such in the Escambia County, Florida, Comprehensive Annual Financial Report.

B. Basis of Presentation – Fund Financial Statements

These financial statements have been prepared for the purpose of complying with Rules of the Auditor General, State of Florida, which require presentation of *fund level* only financial statements and permit omission of entity-wide full accrual financial statements and management's discussion and analysis. Therefore, these financial statements are intended to present only the financial position and changes in financial position of that portion of Escambia County, Florida, that relate to transactions of the Property Appraiser and are not intended to present the financial position and changes in financial position of Escambia County, Florida, taken as a whole.

The Property Appraiser's financial records and accounts are maintained in accordance with the principles of fund accounting, whereby resources are classified for accounting and reporting purposes into funds to ensure compliance with any special restrictions or limitations on the use of such resources. The Property Appraiser's general fund (a governmental fund type) is the sole operating fund of the Property Appraiser. No additional funds are required to be maintained.

Fund Balance – Fund balances are classified either as non-spendable or as restricted, committed, assigned and unassigned, based on the extent to which there are external and internal constraints on the spending.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus and Basis of Accounting

The general fund is accounted for using the *modified accrual basis of accounting*. Revenues are recognized when they become susceptible to accrual—that is when they are both measurable and available to finance expenditures of the current period. The Property Appraiser considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year.

Expenditures generally are recognized under the *modified accrual basis of accounting* when the fund liability is incurred. However, expenditures for compensated absences are recognized when payments are made to employees.

D. Funding from the Board of County Commissioners

Appropriations from the Board are recorded as “transfers in” on the Statement of Revenues, Expenditures and Changes in Fund Balance.

In accordance with Florida Statutes, the general fund’s excess of revenues and transfers over expenditures is returned to the Board at year end and is reported as a “transfer out” on the Statement of Revenues, Expenditures and Changes in Fund Balance.

E. Capital Assets

Capital assets (vehicles, equipment and other property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and depreciated in Escambia County’s government-wide financial statements.

F. Accumulated Compensated Absences

Employees may accumulate, subject to limitations, amounts of earned but unused sick leave, annual leave and compensatory time, which will be paid upon separation from service. The amount of vested accumulated compensated absences payable (related to governmental fund activities) based upon the Property Appraiser’s paid-time-off (PTO) policy is reported as a liability in the Statement of Net Position in the County’s basic financial statements. That liability includes earned but unused vacation, sick and comp time, as well as FICA taxes and retirement contributions related thereto.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

2. CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

The investment of surplus funds is governed by the provisions of Florida Statute 218.415 regarding the type of investments that can be made. Deposits may be exposed to custodial credit risk, which is the risk of loss in the event of a bank failure.

The Property Appraiser manages custodial credit risk by maintaining its deposits in a financial institution 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. Accordingly, risk of loss due to bank failure is not significant.

At September 30, 2022, the reported amount of the Property Appraiser's deposits and the bank balance, consisting entirely of deposits in a checking account, were \$616,996.

3. TRANSFERS

"Transfers in" consist of \$6,885,681 from the Escambia County Board of County Commissioners, and "transfers out" represent excess appropriations and fees returned to the Board in the amount of \$474,235. Amounts due to the Board of County Commissioners were \$474,235 at September 30, 2022.

4. DUE TO/FROM OTHER GOVERNMENTS

At September 30, 2022, the amounts due to other governments totaled \$1,010.

5. RETIREMENT PLAN

The Property Appraiser participates in the Florida Retirement System (FRS), administered by the Florida Department of Management Services. The FRS was established in 1970 by Chapter 121, Florida Statutes. Changes to the FRS can only be made by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The state of Florida issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for FRS. The report may be obtained on the division's website at <http://www.dms.myflorida.com>. The report may also be obtained by contacting the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

5. RETIREMENT PLAN – CONTINUED

Employees elect participation in either the defined benefit plan (Pension Plan), a multiple-employer cost-sharing defined benefit retirement plan, or the defined contribution plan (Investment Plan). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college or a participating city or special district within the state of Florida.

The FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Retirement benefits are based upon age, average compensation and years-of-service credit, where average compensation is computed as the average of the members' highest five or eight fiscal years of earnings, depending upon enrollment date. A post-employment health insurance subsidy is also provided to eligible retired members through the FRS in accordance with Florida Statutes.

For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62, with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age.

For employees who were enrolled in the plan after July 1, 2011, normal retirement benefits are available at age 65, with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age.

Early retirement is available for vested members with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class.

In addition to the above benefits, the Deferred Retirement Option Program (DROP) is available under the Pension Plan when the member first reaches eligibility for normal retirement. This program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate.

For those members who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. The Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in DROP.

The contribution requirements of the Property Appraiser and members are established and may be amended by FRS. Both plans are contributory for employees and require a 3% employee contribution. This is in addition to the contributions that are the obligation of the employer.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

5. RETIREMENT PLAN – CONTINUED

The Property Appraiser's contributions to FRS for the years ended September 30, 2022, 2021 and 2020, were \$551,666, \$501,360 and \$441,057, respectively, equal to the required contributions for each year.

The contribution rates in effect during the period ended September 30, 2022, 2021 and 2020, are as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Regular Class:</u> Members not qualifying for other classes.	11.91%	10.82%	10.00%
<u>Senior Management Class:</u> Members of senior management who do not elect the optional annuity retirement program.	31.57%	29.01%	27.29%
<u>Elected Officials Class:</u> Certain elected county officials.	57.00%	51.42%	49.18%
<u>Deferred Retirement Option Program (DROP):</u> Members are enrolled in DROP from FRS	18.60%	18.34%	16.98%

Net Pension Liability-Proportionate Share

The Property Appraiser has a net FRS pension liability determined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the general fund. All required disclosures and schedules may be found in the Comprehensive Annual Financial Report of Escambia County, Florida.

6. OTHER POST-EMPLOYMENT BENEFITS (OPEB), OTHER THAN PENSIONS

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Property Appraiser's Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that are attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Property Appraiser's Office. Accordingly, these calculations and disclosures can be found in the County's Comprehensive Annual Financial Report.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

7. RISK MANAGEMENT

The County has a risk management program to ensure claims against the Board, Constitutional Officers and Santa Rosa Island Authority for the following types of risks:

Workers Compensation – The County is covered for workers' compensation claims through a policy with the Florida Municipal Insurance Trust. Coverage limits under the policy include statutory limits, as well as \$1,000,000 bodily injury for each accident and \$1,000,000 bodily injury by disease for each employee, with an aggregate \$1,000,000 policy limit.

Casualty and Property – Casualty limits are self-insured for \$200,000 per claim with a \$300,000 aggregate limit. Property limits are \$50,000 - \$250,000 self-insured retentions per occurrence with excess limits of \$45 million, including wind damage.

The Property Appraiser participated in the County's insurance program during the year at a cost of \$23,115. There were no significant reductions in insurance coverage from the prior year, and no settlements exceeded the Property Appraiser's insurance coverage in any of the past three fiscal years.

8. LITIGATION

The Property Appraiser is contingently liable with respect to lawsuits and other claims, which might be filed incidental to the ordinary course of operations. In the opinion of management, based on the advice of legal counsel, there are no lawsuits or claims outstanding which will have a material adverse effect on the financial position of the Property Appraiser's Office.

9. SUBSEQUENT EVENTS

The Property Appraiser has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 21, 2022, the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND**

YEAR ENDED SEPTEMBER 30, 2022

	General Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Charges for services	\$ -	\$ -	\$ 15,363	\$ 15,363
Miscellaneous revenue	-	-	2,175	2,175
Total Revenues	-	-	17,538	17,538
Expenditures:				
Current:				
General government:				
Salaries and benefits	5,899,930	6,041,799	5,442,072	599,727
Operating expenditures	798,925	798,540	927,312	(128,772)
Capital outlay	-	-	59,600	(59,600)
Reserved for contingencies	199,535	60,000	-	60,000
Total Expenditures	6,898,390	6,900,339	6,428,984	471,355
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,898,390)	(6,900,339)	(6,411,446)	488,893
Other Financing Sources and Uses:				
Transfers in	6,898,390	6,900,339	6,885,681	(14,658)
Transfers out	-	-	(474,235)	(474,235)
Total Other Financing Sources (Uses)	6,898,390	6,900,339	6,411,446	(488,893)
Net Change in Fund Balance	-	-	-	-
Fund Balance, October 1, 2021	-	-	-	-
Fund Balance, September 30, 2022	\$ -	\$ -	\$ -	\$ -

See notes to the required supplementary information.

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2022

The Property Appraiser's Office operates under budget procedures pursuant to Florida Statutes. Annual budgets are legally adopted for the general fund on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

**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**

Honorable Chris Jones
Escambia County Property Appraiser

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 Escambia County, Florida, Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated November 21, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Property Appraiser's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser'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 have not been identified.

Compliance and Other Matters

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



Pensacola, Florida
November 21, 2022



350 W Cedar Street, Suite 400
Pensacola, FL 32502
850.435.7400
warrenaverett.com

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

Honorable Chris Jones
Escambia County Property Appraiser

We have examined the Office of the Property Appraiser of Escambia County, Florida's (hereinafter referred to as "Property Appraiser") compliance with Florida Statute 218.415 regarding investments for the year ended September 30, 2022.

Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser'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 Property Appraiser complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser 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 that we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

Warren Averett, LLC

Pensacola, Florida
November 21, 2022

MANAGEMENT LETTER

Honorable Chris Jones
Escambia County Property Appraiser

Report on the Financial Statements

We have audited the financial statements of the general fund of the Office of the Property Appraiser of Escambia County, Florida, 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 November 21, 2022.

Auditors' Responsibility

We conducted our audit 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 Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports which are dated November 21, 2022, 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 or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding audit report.

Financial Management

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 have any such recommendations.

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 abuses 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, the Property Appraiser, the Escambia County Board of County Commissioners and applicable management, and is not intended to be and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Warren Averett, LLC".

Pensacola, Florida
November 21, 2022

**ESCAMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

SCHEDULE OF FINDINGS AND RESPONSES

SEPTEMBER 30, 2022

There were no comments which require management's written response.



**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

SEPTEMBER 30, 2022

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

SEPTEMBER 30, 2022

TABLE OF CONTENTS

Independent Auditors' Report	1
Financial Statements:	
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	5
Statement of Fiduciary Net Position – Custodial Funds	6
Statement of Changes in Fiduciary Net Position – Custodial Funds	7
Notes to the Financial Statements	8
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	17
Notes to Required Supplementary Information	18
Other Supplementary Information:	
Combining Financial Statements and Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Sheriff's Programs Fund	19
Combining Statement of Fiduciary Net Position – All Custodial Funds	20
Combining Statement of Changes in Fiduciary Net Position – All Custodial Funds	21

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

SEPTEMBER 30, 2022

TABLE OF CONTENTS-(Continued)

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 <i>Government Auditing Standards</i>	22
Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, <i>Rules of the Auditor General</i>	24
Management Letter	25
Schedule of Findings and Responses	26

INDEPENDENT AUDITORS' REPORT

Honorable Chip Simmons, Sheriff
Escambia County, Florida

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Office of the Sheriff of Escambia County, Florida ("Sheriff"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Sheriff's 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 each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above have been prepared for the purpose of complying with the Rules of the Auditor General, State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Escambia County, Florida, that are attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Escambia County, Florida, as of September 30, 2022, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff'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 Sheriff'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 budgetary comparison information on page 17 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 Sheriff's basic financial statements. The accompanying budgetary comparison schedule and combining financial statements on pages 19-21 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2022, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Warren Averett, LLC

Pensacola, Florida
November 23, 2022

Financial Statements

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2022

	<u>General Fund</u>	<u>Sheriff's Programs Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 2,072,363	\$ 4,488	\$ 2,076,851
Due from other funds	309,213	-	309,213
Due from Board of County Commissioners	193,059	-	193,059
Due from other governmental units	-	309,213	309,213
Inventory	509,546	-	509,546
Total assets	<u>\$ 3,084,181</u>	<u>\$ 313,701</u>	<u>\$ 3,397,882</u>
LIABILITIES			
Accounts payable	\$ 111,510	\$ -	\$ 111,510
Accrued liabilities	2,283,267	-	2,283,267
Due to other funds	-	309,213	309,213
Due to Board of County Commissioners	179,858	-	179,858
Unearned revenue	-	4,488	4,488
Total liabilities	2,574,635	313,701	2,888,336
FUND BALANCE			
Nonspendable: Inventory	509,546	-	509,546
Total fund balance	509,546	-	509,546
Total liabilities and fund balance	<u>\$ 3,084,181</u>	<u>\$ 313,701</u>	<u>\$ 3,397,882</u>

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Sheriff's Programs Fund	Total Governmental Funds
Revenues:			
Grant revenue	\$ -	\$ 834,593	\$ 834,593
Judgments, fines and forfeitures	-	915	915
Total revenues	-	835,508	835,508
Expenditures:			
Current:			
Public safety:			
Salaries and benefits	64,052,011	606,593	64,658,604
Operating expenditures	8,822,562	228,915	9,051,477
Total expenditures	72,874,573	835,508	73,710,081
Excess (Deficiency) of revenues over (under) expenditures	(72,874,573)	-	(72,874,573)
Other financing sources and uses:			
Transfers in	72,888,935	-	72,888,935
Transfers out	(14,362)	-	(14,362)
Total other financing sources and uses	72,874,573	-	72,874,573
Net change in fund balance	-	-	-
Fund balance, October 1, 2021	538,198	-	538,198
Change in inventory	(28,652)	-	(28,652)
Fund balance, September 30, 2022	\$ 509,546	\$ -	\$ 509,546

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS

SEPTEMBER 30, 2022

ASSETS

Cash and cash equivalents	<u>\$ 377,253</u>
Total assets	377,253

LIABILITIES

Due to Clerk	<u>8,568</u>
Total liabilities	8,568

NET POSITION

Restricted for:	
Employee events	17,518
Evidence	<u>351,167</u>
Total net position	<u><u>\$ 368,685</u></u>

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

STATEMENT OF CHANGES IN FIDUCIARY NET POSTION – CUSTODIAL FUNDS

SEPTEMBER 30, 2022

ADDITIONS

Evidence collected	\$ 398,319
Civil process fees	309,412
Contributions from employees	<u>20,529</u>
Total additions	728,260

DEDUCTIONS

Evidence returned to defendant	434,729
Paid to BOCC LET	45,543
Paid to BOCC per F.S.	210,778
Paid to Clerk for contempt	96,706
Credit card fees	1,928
Payments for employee events	<u>31,396</u>
Total deductions	<u>821,080</u>

Net change in fiduciary net position	(92,820)
--------------------------------------	----------

Net position, October 1, 2021	<u>461,505</u>
-------------------------------	----------------

Net position, September 30, 2022	<u><u>\$ 368,685</u></u>
----------------------------------	--------------------------

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The following is a summary of the significant principles and policies used in the preparation of these financial statements.

A. Reporting Entity

The Escambia County, Florida, Sheriff (the “Sheriff”) is an elected constitutional officer as provided by Article VIII, Section 1 (d) of the Constitution of the State of Florida. The Sheriff’s budget is submitted to the Escambia County Board of County Commissioners (the “Board”) for approval. The Board appropriates and distributes to the Sheriff, on a monthly basis, funds necessary to operate the Sheriff’s office.

For financial reporting purposes, the Sheriff is deemed to be a part of the primary government of Escambia County, Florida (the “County”) and therefore, is included as such in the Escambia County, Florida, Annual Comprehensive Financial Report.

B. Basis of Presentation – Fund Financial Statements

These financial statements have been prepared for the purpose of complying with *Rules of the Auditor General, State of Florida*, which require presentation of fund-level-only financial statements and permit omission of entity-wide full accrual financial statements and management’s discussion and analysis. Therefore, these financial statements are intended to present only the financial position and changes in financial position of that portion of Escambia County, Florida, that relate to transactions of the Sheriff and are not intended to present the financial position and changes in financial position of Escambia County, Florida, taken as a whole.

The Sheriff’s financial records and accounts are maintained in accordance with the principles of fund accounting, whereby resources are classified for accounting and reporting purposes into funds to ensure compliance with any special restrictions or limitations on the use of such resources. The Sheriff’s major funds are the General Fund and the Sheriff’s Programs Fund.

The **General Fund** is the general operating fund of the Sheriff. It is used to account for all financial resources except those required to be accounted for in other funds.

Additionally, the Sheriff reports the following fund types:

The **Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The **Sheriff’s Programs Fund** is used to account for various grant and federal forfeiture activities.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies – Continued

The ***Custodial Funds*** are used to account for assets received and held by the Sheriff as a fiduciary for individuals, private organizations and other governments. The Sheriff has several custodial funds for varying purposes.

C. Capital Assets

Capital assets (vehicles, equipment and other property costing at least \$5,000, with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and depreciated in the County's government-wide financial statements. It is not appropriate to report capital assets and the related depreciation in the governmental fund financial statements.

D. Fund Balance and Flow Assumptions

Fund balance at September 30, 2022, consists of the following:

Nonspendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. Nonspendable fund balance at the Sheriff consists of \$509,546 for inventory.

Remaining fund balances are classified as following, depending upon the Sheriff's ability to control the spending of these balances:

Restricted fund balances can only be used for specific purposes, which are externally imposed by creditors, grantors, contributors or laws or regulations, or are imposed by law through constitutional provisions or enabling legislation. As of September 30, 2022, the restricted fund balance at the Sheriff consists of \$368,685 in custodial funds.

Committed fund balances can only be used for specific purposes imposed internally by the Sheriff's formal action of highest level of decision-making authority. As of September 30, 2022, the Sheriff had no committed fund balances.

Assigned fund balances are fund balances intended to be used for specific purposes, but do not meet the more formal criterion to be considered either restricted or committed. As of September 30, 2022, the Sheriff had no assigned fund balances.

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. As of September 30, 2022, the Sheriff had no unassigned fund balances because all excess revenues within the General Fund are required to be remitted to the Board, and there were no negative residual balances in the special revenue fund.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies – Continued

D. Fund Balance and Flow Assumptions – Continued

Periodically, the Sheriff will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Sheriff's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

E. Accumulated Compensated Absences

Employees may accumulate, subject to limitations, amounts of earned, but unused, sick leave, annual leave and compensatory time, which will be paid upon separation from service. The amount of vested, accumulated, compensated absences payable, based upon the Sheriff's paid-time-off (PTO) policy, is reported as a liability in the statement of net position in the County's government-wide financial statements. That liability also includes earned, but unused sick leave, annual leave and compensatory time, as well as FICA taxes and retirement contributions related thereto.

F. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and also refers to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when received in cash or when they become both measurable and available to finance expenditures of the current period. The Sheriff considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Grants and similar items are recognized as revenue, as soon as all eligibility requirements imposed by the provider have been met. Compensated absences are paid from the general fund. Capital asset acquisitions are recorded as expenditures in the governmental funds.

Measurement Focus – The accounting and financial reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets, deferred outflows, current liabilities and deferred inflows are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Fiduciary fund financial statements (custodial funds) are reported using the economic resources measurement focus and the accrual basis of accounting.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies – Continued

G. Funding Provided by Board of County Commissioners

The Board funds the majority of the operating budget of the Sheriff. Payment by the Board to fund the operations of the Sheriff is recorded as a “transfer out” in the basic financial statements of the County and as an operating “transfer in” on the financial statements of the Sheriff.

In accordance with Florida Statutes, the General Fund’s excess of revenues over expenditures is returned to the Board at the end of the fiscal year. Repayments to the Board are recorded as a “transfer out” in the financial statements of the Sheriff and the amount of undistributed excess appropriations at the end of the fiscal year is reported as amounts due the Board.

2. Deposits and Investments

Cash and cash equivalents are highly liquid investments with original maturities of three months or less when purchased. Investments, if any, are recorded at fair value. The Sheriff has an investment policy governed by the provisions of Florida Statute 218.415 as to the type of investments that can be made. Authorized investments include the Local Government Surplus Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969; Security and Exchange registered money market funds with the highest credit quality rating from a recognized rating agency; savings accounts or certificates of deposit in state-certified depositories; notes, bonds or treasury bills or other direct obligations of the United States Treasury, federal agencies and instruments; and repurchase agreements.

Deposits may be exposed to custodial credit risk, which is the risk of loss in the event of a bank failure. The Sheriff manages custodial credit risk by maintaining its deposits in financial institutions designated as “Qualified Public Depositories” by the State Treasurer.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

2. Deposits and Investments – Continued

The Sheriff's cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. All of the Sheriff's deposits are fully insured by the Public Deposit Trust Fund.

At September 30, 2022, the reported amount of the Sheriff's deposits was approximately \$2.5 million, and the bank balance was approximately \$2.7 million, consisting entirely of cash and deposit accounts.

3. Interfund Receivables and Payables

Interfund receivables and payables consist of amounts due to or from funds during the normal course of business. Transfers consist of \$72,888,935 of "transfers in" from the Board and "transfers out" of unspent appropriations in the amount of \$14,362.

4. Inventory

Inventory is valued at cost using the first-in/first out (FIFO) method and consists of expendable supplies. The costs of such inventory are recorded as expenditures when purchased and also reported as inventory assets based on a physical inventory of supplies on hand at year end.

5. Retirement Plan

The Sheriff participates in the Florida Retirement System (FRS), administered by the Florida Department of Management Services. The FRS was established in 1970 by Chapter 121, Florida Statutes. Changes to the FRS can only be made by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The State of Florida issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for FRS. The report may be obtained on the division's website at <http://www.dms.myflorida.com>. The report may also be obtained by contacting the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000.

Employees elect participation in either the defined benefit plan (the "Pension Plan"), a multiple-employer, cost-sharing, defined benefit retirement plan, or the defined contribution plan (the "Investment Plan"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college or a participating city or special district within the State of Florida.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

5. Retirement Plan – Continued

The FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members' highest five or eight fiscal years of earnings, depending upon enrollment date. A post-employment health insurance subsidy is also provided to eligible retired members through the FRS in accordance with Florida Statutes.

For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service, or to those employees who have at least 30 years of creditable service, regardless of age.

For employees who were enrolled in the plan after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service, or to those employees who have at least 33 years of creditable service, regardless of age.

Early retirement is available for vested members with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class.

In addition to the above benefits, the Deferred Retirement Option Program (DROP) is available under the Pension Plan when the member first reaches eligibility for normal retirement. This program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 60 months (96 months under certain circumstances) after electing to participate.

For those members who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. The Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class.

Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings, less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program.

The contribution requirements of the Sheriff and members are established and may be amended by FRS. Both plans are contributory for employees and require a 3% employee contribution. This is in addition to the contributions that are the obligation of the employer. The Sheriff's contributions to FRS for the years ended September 30, 2022, 2021 and 2020 were \$8.9 million, \$7.9 million and \$7.5 million, respectively, equal to the required contributions for each year.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

5. Retirement Plan – Continued

The contribution rates in effect during the period ended September 30, 2022, 2021 and 2020 were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Regular Class</u>	11.91%	10.82%	10.00%
Members not qualifying for other classes.			
<u>Senior Management Class</u>	31.57%	29.01%	27.29%
Members of senior management who do not elect the optional annuity retirement program.			
<u>Elected Officials Class</u>	57.00%	51.42%	49.18%
Certain elected county officials.			
<u>Deferred Retirement Option Program (DROP)</u>	18.60%	18.34%	16.98%
Members enrolled in DROP from FRS.			
<u>Special Risk Class</u>			
Members employed as law enforcement officers, firefighters or correctional officers that meet the criteria to qualify for this class.	27.83%	25.89%	24.45%

Net Pension Obligation – Proportionate Share

The Sheriff has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the governmental funds. All required disclosures and schedules may be found in the annual comprehensive financial report of Escambia County, Florida.

6. Other Postemployment Benefit (OPEB) Obligations, Other Than Pensions

The Sheriff offers post-employment health care benefits (OPEB) to all retired employees and their dependents. Participating retirees are required to reimburse the Sheriff for 100% of the premium cost, which is netted against the premium payment, so that no net expenditure is initially recorded in the financial statements. However, these retirees are receiving an “implicit subsidy” because the premium is a group rate, which includes active, lower-cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole, and not separately for the Sheriff. Accordingly, these calculations and disclosures can be found in the County’s annual comprehensive financial report.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

7. Risk Management

The Sheriff participates in the Florida Sheriff's Self Insurance Fund with an annual premium cost for the year ended September 30, 2022, of approximately \$1.1 million. Coverage limits under the policy include \$1.0 million bodily injury for each accident and \$1.0 million bodily injury by disease for each employee with a \$1.0 million limit. The plan calls for an annual final premium calculation after fiscal year end using the actual premium basis, proper classifications and experience modifications, and rates that lawfully apply to the Sheriff.

During the fiscal year ended September 30, 2022, the Sheriff had no significant reductions in insurance coverage from the prior year. In addition, there have been no settlements, which exceeded the Sheriff's insurance coverage in any of the past three fiscal years.

8. Federal and State Financial Assistance

The following programs are presented in the schedules of expenditures of federal and state awards within the Escambia County financial report under the *Uniform Guidance*.

Coach Aaron Feis Guardian Program
Disaster Grants – Public Assistance
Edward Byrne Memorial – Justice Assistance Grant Program
Florida Incident Based Reporting System
High Intensity Drug Trafficking Area Program
Homeland Security Grant Program

9. Fund Expenditure Details

The following is a schedule of the General Fund's expenditures for the year ended September 30, 2022:

Account Description	Law Enforcement	Court Security	Totals
Salary and benefits	\$ 60,251,555	\$ 3,800,456	\$ 64,052,011
Other operating	8,818,832	3,730	8,822,562
Totals	<u>\$ 69,070,387</u>	<u>\$ 3,804,186</u>	<u>\$ 72,874,573</u>

10. Litigation

The Sheriff is contingently liable with respect to lawsuits and other claims, which might be filed incidental to the ordinary course of operations. In the opinion of management, based on the advice of legal counsel, there are no lawsuits or claims outstanding, which will have a material adverse effect on the financial position of the Sheriff's Office.

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO FINANCIAL STATEMENTS

11. Commitments and Contingencies

The Sheriff receives financial assistance from federal and state agencies primarily in the form of operating grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by grantor agencies. Disallowed claims, if any, resulting from such audits, may become liabilities of the Sheriff.

12. Subsequent Events

The Sheriff has evaluated events and transactions that occurred between September 30, 2022, and November 23, 2022, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

Required Supplementary Information

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND**

YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public safety:				
Salaries and benefits	64,680,785	65,373,779	64,052,011	1,321,768
Operating expenditures	7,033,296	7,415,156	8,822,562	(1,407,406)
Capital outlay	100,000	100,000	-	100,000
Total expenditures	71,814,081	72,888,935	72,874,573	14,362
Excess (Deficiency) of revenues over (under) expenditures	(71,814,081)	(72,888,935)	(72,874,573)	14,362
Other financing sources and uses:				
Transfers in	71,814,081	72,888,935	72,888,935	-
Transfers out	-	-	(14,362)	(14,362)
Total other financing sources and uses	71,814,081	72,888,935	72,874,573	(14,362)
Net change in fund balance	-	-	-	-
Fund balance, October 1, 2021	-	-	538,198	538,198
Change in inventory	-	-	(28,652)	(28,652)
Fund balance, September 30, 2022	\$ -	\$ -	\$ 509,546	\$ 509,546

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The Sheriff's Office operates under budget procedures pursuant to Florida Statutes. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget for the Sheriff's General Fund is a "legally adopted" budget, whereas the budget for the Sheriff's Programs Fund is prepared and used solely as an internal management tool and is not considered "legally adopted." The legal level of budgetary control is at the fund level.

Other Supplementary Information

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
SHERIFF'S PROGRAMS FUND**

YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Grant revenue:				
FBI Cyber Crime	\$ 16,000	\$ 16,000	\$ 14,105	\$ (1,895)
US Marshall's	20,000	30,000	30,000	-
HIDTA	15,000	19,832	19,832	-
OCDETF	80,000	155,000	133,863	(21,137)
ATF	19,180	19,180	8,242	(10,938)
Guardian Program	100,000	100,000	88,297	(11,703)
Disaster Relief	-	91,779	91,779	-
DEA Task Force	-	20,339	20,339	-
PED Bike HVE	45,056	97,056	93,225	(3,831)
Federal JAG 2019	114,870	115,427	9,002	(106,425)
Federal JAG 2020	101,044	101,116	101,115	(1)
FIBRS	-	257,170	165,162	(92,008)
Stone Garden Grant	-	44,550	41,718	(2,832)
Federal JAG 2021	-	116,168	17,914	(98,254)
Judgments, fines and forfeitures				
Law Enforcement Trust Fund	-	-	915	915
Total revenues	511,150	1,183,617	835,508	(348,109)
Expenditures:				
Current:				
Public safety:				
Salaries and benefits	511,150	1,102,744	606,593	496,151
Operating expenditures	-	80,873	228,915	(148,042)
Total expenditures	511,150	1,183,617	835,508	348,109
Excess (Deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources and uses:				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance, October 1, 2021	-	-	-	-
Fund balance, September 30, 2022	\$ -	\$ -	\$ -	\$ -

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION –
ALL CUSTODIAL FUNDS**

SEPTEMBER 30, 2022

	Custodial Funds			
	Evidence Trust Fund	Civil Trust Fund	General Employee Events Fund	TOTAL
ASSETS				
Cash and cash equivalents	\$ 351,167	\$ 8,568	\$ 17,518	\$ 377,253
Total assets	351,167	8,568	17,518	377,253
LIABILITIES				
Due to Clerk	-	8,568	-	8,568
Total liabilities	-	8,568	-	8,568
NET POSITION				
Restricted for:				
Employee events	-	-	17,518	17,518
Evidence	351,167	-	-	351,167
Total net position	\$ 351,167	\$ -	\$ 17,518	\$ 368,685

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
ALL CUSTODIAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2022

	Custodial Funds			
	Evidence Trust Fund	Civil Trust Fund	General Employee Events Fund	TOTAL
ADDITIONS				
Evidence collected	\$ 398,319	\$ -	\$ -	\$ 398,319
Civil process fees	-	309,412	-	309,412
Contributions from employees	-	-	20,529	20,529
Total additions	398,319	309,412	20,529	728,260
DEDUCTIONS				
Evidence returned to defendant	434,729	-	-	434,729
Paid to BOCC LET	45,543	-	-	45,543
Paid to BOCC per F.S.	-	210,778	-	210,778
Paid to Clerk for contempt	-	96,706	-	96,706
Credit card fees	-	1,928	-	1,928
Payments for employee events	-	-	31,396	31,396
Total deductions	480,272	309,412	31,396	821,080
Net change in fiduciary net position	(81,953)	-	(10,867)	(92,820)
Net position, October 1, 2021	433,120	-	28,385	461,505
Net position, September 30, 2022	<u>\$ 351,167</u>	<u>\$ -</u>	<u>\$ 17,518</u>	<u>\$ 368,685</u>

**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**

Honorable Chip Simmons, Sheriff
Escambia County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements (hereinafter referred to as "financial statements") of each major fund and the aggregate remaining fund information of the Office of the Sheriff of Escambia County, Florida (hereinafter referred to as "Sheriff"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Sheriff's financial statements, and have issued our report thereon dated November 23, 2022.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free of 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 report is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Warren Averett, LLC". The signature is written in a cursive, flowing style.

Pensacola, Florida
November 23, 2022

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

Honorable Chip Simmons, Sheriff
Escambia County, Florida

We have examined the Office of the Sheriff of Escambia County, Florida's (hereinafter referred to as "Sheriff"), compliance with Florida Statute 218.415 in regard to investments for the year ended September 30, 2022. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff'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 Sheriff complied, in all material respects, with the specified requirements. An examination involves performing procedures to obtain evidence about whether the Sheriff 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 Sheriff's compliance with specified requirements.

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

Warren Averett, LLC

Pensacola, Florida
November 23, 2022

MANAGEMENT LETTER

Honorable Chip Simmons, Sheriff
Escambia County, Florida

Report on the Financial Statements

We have audited the financial statements of the Office of the Sheriff of Escambia County, Florida (hereinafter referred to as "Sheriff") as of and for the year ended September 30, 2022, and have issued our report thereon dated November 23, 2022.

Auditors' Responsibility

We conducted our audit 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 Chapter 10.550 Rules of the Florida Auditor General.

Other Report Requirements

We have 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; and Independent Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated November 23, 2022, 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 or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No recommendations were made in the preceding annual financial report.

Financial Management

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 have any such recommendations.

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 which 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, the Sheriff, and the Escambia County Board of County Commissioners, and is not intended to be, and should not be, used by anyone other than these specified parties.



Pensacola, Florida
November 23, 2022

**ESCAMBIA COUNTY, FLORIDA
SHERIFF**

SCHEDULE OF FINDINGS AND RESPONSES

There were no comments which require management's written response.

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

SEPTEMBER 30, 2022

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

SEPTEMBER 30, 2022

TABLE OF CONTENTS

Independent Auditors' Report	1
Financial Statements	
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures and Changes In Fund Balance – Governmental Funds	5
Notes to the Financial Statements	6
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	12
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Special Revenue Fund – Grant Fund	13
Notes to Required Supplementary Information	14
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	15
Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, Rules of the Auditor General	17
Management Letter	18
Schedule of Findings and Responses	19

INDEPENDENT AUDITORS' REPORT

Honorable David Stafford
Escambia County, Florida, Supervisor of Elections

Opinions

We have audited the accompanying financial statements of the general fund and the grant fund of the Escambia County, Florida, Supervisor of Elections, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' 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 financial position of the Supervisor of Elections as of September 30, 2022, and the changes in financial position and its cash flows 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 (GAAS) and the standards applicable to the 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 Supervisor of Elections, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Supervisor of Elections' ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' 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 Supervisor of Elections' 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above have been prepared for the purpose of complying with the Rules of the Auditor General, State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Escambia County, Florida, that are attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Escambia County, Florida, as of September 30, 2022, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report on our consideration of the Supervisor of Elections' 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 included under the heading: *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*. The purpose of the 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 Supervisor of Elections' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Warren Averett, LLC". The signature is written in a cursive, flowing style.

Pensacola, Florida
January 18, 2023

Financial Statements

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2022

	General Fund	Grant Fund
Assets		
Due from other governmental units	\$ 145,253	\$ -
Total assets	<u>\$ 145,253</u>	<u>\$ -</u>
Liabilities		
Accounts payable	\$ 111,086	\$ -
Accrued liabilities	34,113	-
Due to the other governmental units	54	-
Total liabilities	<u>145,253</u>	<u>-</u>
Fund Balance		
Restricted for:		
Grants	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 145,253</u>	<u>\$ -</u>

See notes to the financial statements.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2022

	<u>General Fund</u>	<u>Grant Fund</u>
Revenues:		
Grant revenue	\$ -	\$ 27,245
Charges for services	10,629	-
Total Revenues	<u>10,629</u>	<u>27,245</u>
Expenditures:		
Current:		
General government:		
Salaries and benefits	1,328,672	-
Operating expenditures	1,045,508	5,640
Total Expenditures	<u>2,374,180</u>	<u>5,640</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,363,551)</u>	<u>21,605</u>
Other Financing Sources and Uses:		
Transfers in	2,363,551	
Transfers out	-	(21,605)
Total Other Financing Sources and Uses	<u>2,363,551</u>	<u>(21,605)</u>
Net Change in Fund Balance	-	-
Fund Balance, October 1, 2021	<u>-</u>	<u>-</u>
Fund Balance, September 30, 2022	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to the financial statements.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The following is a summary of the significant principles and policies used in the preparation of these financial statements.

A. Reporting entity

The Escambia County, Florida, Supervisor of Elections is an elected constitutional officer, as provided by Article VIII, Section 1 (d) of the Constitution of the State of Florida. The Supervisor of Elections' budget is submitted to the Escambia County Board of County Commissioners (the Board) for approval. The Board appropriates and provides funding necessary to operate the Supervisor of Elections' office.

For financial reporting purposes, the Supervisor of Elections is deemed to be a part of the primary government of Escambia County, Florida (the County), and therefore, is included as such in the Escambia County, Florida, Comprehensive Annual Financial Report.

B. Basis of presentation – fund financial statements

These financial statements have been prepared for the purpose of complying with Rules of the Auditor General, State of Florida, which require presentation of *fund level* only financial statements, and permit omission of entity-wide full accrual financial statements and management's discussion and analysis. Therefore, these financial statements are intended to present only the financial position and changes in financial position of that portion of Escambia County, Florida, that relate to transactions of the Supervisor of Elections and are not intended to present the financial position and changes in financial position of Escambia County, Florida, taken as a whole.

The Supervisor of Elections' financial records and accounts are maintained in accordance with the principles of "fund accounting," whereby resources are classified for accounting and reporting purposes into funds to ensure compliance with any special restrictions or limitations on the use of such resources. The Supervisor of Elections maintains two governmental funds as follows:

General Fund - Accounts for all financial resources except those required to be accounted for in other funds.

Grant Fund - Accounts for activities of various federal and state grants.

C. Basis of accounting and measurement focus

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and also refers to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when received in cash or when they become both measurable and available to finance expenditures of the current period. The Supervisor of Elections considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Compensated absences are paid from the general fund. Capital asset acquisitions are recorded as expenditures in the governmental funds.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

C. Basis of accounting and measurement focus (Continued)

The accounting and financial reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets, deferred outflows, current liabilities and deferred inflows are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they present a summary of sources and uses of available spendable resources during a period.

D. Funding from the Board of County Commissioners

Appropriations from the Board are recorded as "transfers in" on the Statement of Revenues, Expenditures and Changes in Fund Balance.

In accordance with Florida Statutes, the general fund's excess of revenues and transfers in over expenditures and interfund transfers out is returned to the Board at year end and is reported as a "transfer out" on the Statement of Revenues, Expenditures and Changes in Fund Balance. This amount was zero for the year.

E. Fund balance and flow assumptions

Fund balances are classified either as non-spendable or as restricted, committed, assigned, and unassigned, based on the extent to which there are external and internal constraints on the spending. Fund balance at September 30, 2022, consists of the following:

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. As of September 30, 2022, the Supervisor of Elections had no non-spendable fund balance.

Remaining fund balances are classified as follows, depending upon the Supervisor of Elections' ability to control the spending of these balances:

Restricted fund balances can only be used for specific purposes, which are externally imposed by creditors, grantors, contributors, or laws or regulations, or are imposed by law through constitutional provisions or enabling legislation. As of September 30, 2022, the Supervisor of Elections had no restricted fund balances.

Committed fund balances can only be used for specific purposes imposed internally by the Supervisor of Elections' formal action of highest level of decision making authority. As of September 30, 2022, the Supervisor of Elections had no committed fund balances.

Assigned fund balances are fund balances intended to be used for specific purposes, but do not meet the more formal criterion to be considered either restricted or committed. As of September 30, 2022, the Supervisor of Elections had no assigned fund balances.

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed, or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. As of September 30, 2022, the Supervisor of Elections had no unassigned fund balances because all excess revenues within the General Fund are required to be remitted to the Board and there were no negative residual balances in the special revenue fund.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

E. Fund balance and flow assumptions (Continued)

Periodically, the Supervisor of Elections will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Supervisor of Elections' policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

F. Capital assets

Capital assets (vehicles, equipment and other property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and depreciated in Escambia County's government-wide financial statements.

G. Accumulated compensated absences

Employees may accumulate, subject to limitations, amounts of earned, but unused paid time off, which will be paid upon separation from service. The amount of vested accumulated compensated absences payable based upon the Supervisor of Elections' paid-time-off (PTO) policy is reported as a liability in the statement of net position in the County's basic financial statements. That liability includes earned but unused PTO, as well as FICA taxes and retirement contributions related thereto. Compensated absences are paid from the General Fund.

2. Cash deposits with financial institutions

The Supervisor of Elections does not maintain a separate cash account. The Escambia County Clerk of the Circuit Court and Comptroller, serving as the accountant for the Supervisor of Elections, records all cash activity using a pooled cash account of the Board. The "due from" reflected on the Supervisor of Elections' balance sheet represents the amount of cash held by the Board on behalf of the Supervisor of Elections.

The Board manages custodial credit risk by maintaining its deposits in financial institutions designated as "Qualified Public Depositories" 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. Accordingly, risk of loss due to bank failure is not significant.

3. Due to/from other governments

At September 30, 2022, the amounts due to other governmental units totaled \$54 and was payable to the Board. The due from other governmental units totaled \$145,253 and was receivable from the Board.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO THE FINANCIAL STATEMENTS

4. Retirement plan

Plan Description — The Supervisor of Elections participates in the Florida Retirement System (FRS), administered by the Florida Department of Management Services. The FRS was established in 1970 by Chapter 121, Florida Statutes. Changes to the FRS can only be made by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The state of Florida issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for FRS. The report may be obtained on the division's website at <http://www.dms.myflorida.com>. The report may also be obtained by contacting the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000.

Employees elect participation in either the defined benefit plan (Pension Plan), a multiple-employer, cost-sharing defined benefit retirement plan, or the defined contribution plan (Investment Plan). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida.

The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members' highest five or eight fiscal years of earnings, depending upon enrollment date. A post-employment health insurance subsidy is also provided to eligible retired members through the FRS in accordance with Florida Statutes.

For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service, or to those employees who have at least 30 years of creditable service, regardless of age.

For employees who were enrolled in the plan after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service, or to those employees who have at least 33 years of creditable service, regardless of age.

Members in the Investment Plan decide how their funds are allocated between various investment accounts and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO THE FINANCIAL STATEMENTS

4. Retirement plan (Continued)

The contribution requirements of the Supervisor of Elections and members are established and may be amended by FRS. Both plans are contributory for employees and require a 3% employee contribution. This is in addition to the contributions that are the obligation of the employer. The Supervisor of Elections' contributions to FRS for the years ended September 30, 2022, 2021 and 2020, were \$156,357, \$133,980, and \$151,383, respectively, equal to the required contributions for each year.

The contribution rates in effect during the period ended September 30, 2022, 2021 and 2020, were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Regular Class:</u>	11.91%	10.82%	10.00%
Members not qualifying for other classes.			
<u>Senior Management Class:</u>	31.57%	29.01%	27.29%
Members of senior management who do not elect the optional annuity retirement program.			
<u>Elected Officials Class:</u>	57.00%	51.42%	49.18%
Certain elected county officials.			
<u>Deferred Retirement Option Program (DROP):</u>	18.60%	18.34%	16.98%
Members are enrolled in DROP from FRS			

Net Pension Obligation - Proportionate Share

The Supervisor of Elections has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the governmental funds. All required disclosures and schedules may be found in the comprehensive annual financial report of Escambia County, Florida.

5. Other post-employment (OPEB) benefits, other than pensions

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Supervisor of Elections' Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability are measured as the portion of the actuarial present value of the projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Supervisor of Elections' Office. Accordingly, these calculations and disclosures can be found in the County's comprehensive annual financial report.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO THE FINANCIAL STATEMENTS

6. Risk management

The County has a risk management program to insure claims against the Board, Constitutional Officers and Santa Rosa Island Authority for the following types of risks:

Workers Compensation – The County is covered for workers' compensation claims through a policy with the Florida Municipal Insurance Trust. Coverage limits under the policy include statutory limits, as well as \$1,000,000 bodily injury for each accident and \$1,000,000 bodily injury by disease for each employee with an aggregate \$1,000,000 policy limit.

Casualty and Property – Casualty limits are self-insured for \$200,000 per claim with a \$300,000 aggregate limit. Property limits are \$50,000 – \$250,000 self-insured retentions per occurrence with excess limits of \$45 million including wind.

The Supervisor of Elections participated in the County's insurance program during fiscal year 2021. There were no significant reductions in insurance coverage from the prior year, and there have been no settlements which exceeded the Supervisor of Elections' insurance coverage in any of the past three fiscal years.

7. Commitments and contingencies

The Supervisor of Elections receives federal and state financial assistance primarily in the form of capital and operating grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by grantor agencies. Disallowed costs, if any, resulting from such audits may become liabilities of the Supervisor of Elections. However, in the opinion of management, disallowed costs, if any, will not have a material effect on the financial statements.

Required Supplementary Information

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND**

YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Charges for services	\$ -	\$ -	\$ 10,629	\$ 10,629
Total Revenues	-	-	10,629	10,629
Expenditures:				
Current:				
General government:				
Salaries and benefits	1,428,569	1,446,724	1,328,672	118,052
Operating expenditures	1,334,191	1,334,191	1,045,508	288,683
Total Expenditures	2,762,760	2,780,915	2,374,180	406,735
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,762,760)	(2,780,915)	(2,363,551)	417,364
Other Financing Sources and Uses:				
Transfers in	2,762,760	2,780,915	2,363,551	(417,364)
Total Other Financing Sources (Uses)	2,762,760	2,780,915	2,363,551	(417,364)
Net Change in Fund Balance	-	-	-	-
Fund Balance, October 1, 2021	-	-	-	-
Fund Balance, September 30, 2022	\$ -	\$ -	\$ -	\$ -

See accompanying notes to required supplementary information.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
SPECIAL REVENUE FUND – GRANT FUND**

YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Grant revenue	\$ -	\$ 50,692	\$ 27,245	\$ (23,447)
Investment income	-	-	-	-
Total Revenues	-	50,692	27,245	(23,447)
Expenditures:				
Current:				
General government:				
Operating expenditures grants	-	50,692	5,640	45,052
Total Expenditures	-	50,692	5,640	45,052
Excess (Deficiency) of Revenues	-	-	21,605	21,605
Other Financing Sources and Uses:				
Transfers out	-	-	(21,605)	(21,605)
Net Change in Fund Balance	-	-	-	-
Fund Balance, October 1, 2021	-	-	-	-
Fund Balance, September 30, 2022	\$ -	\$ -	\$ -	\$ -

See accompanying notes to required supplementary information.

**ESCAMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The Supervisor of Elections operates under budget procedures pursuant to Florida Statutes. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level.

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*

Honorable David Stafford
Supervisor of Elections, Escambia County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements (hereinafter referred to as "financial statements") of the general fund and the grant fund of the Supervisor of Elections of Escambia County, Florida (hereinafter referred to as "Supervisor of Elections"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' financial statements, and have issued our report thereon dated January 18, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Supervisor of Elections' 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 Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor of Elections' 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 Supervisor of Elections' 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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' 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 Supervisor of Elections' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Warren Averett, LLC". The script is cursive and fluid.

Pensacola, Florida
January 18, 2023

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

Honorable David Stafford
Supervisor of Elections, Escambia County, Florida

We have examined the Office of the Supervisor of Elections of Escambia County, Florida's (hereinafter referred to as the "Supervisor of Elections") compliance with Florida Statute 218.415, regarding investments for the year ended September 30, 2022.

Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' 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 Supervisor of Elections complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor of Elections 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 Supervisor of Elections' compliance with specified requirements.

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



Pensacola, Florida
January 18, 2023

MANAGEMENT LETTER

Honorable David Stafford
Supervisor of Elections of Escambia County

Report on the Financial Statements

We have audited the financial statements of the general fund and the grant fund of the Office of the Supervisor of Elections of Escambia County, Florida (hereinafter referred to as the "Supervisor of Elections"), as of and for the year ended September 30, 2022, and the related notes to the financial statements and have issued our report thereon dated January 18, 2023.

Auditors' Responsibility

We conducted our audit 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 Chapter 10.550 Rules of the Florida Auditor General.

Other Reporting Requirements

We have 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*; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 18, 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 audit report. No recommendations were made in the preceding annual financial audit report.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we communicate noncompliance with provisions of contracts or grant agreements, or abuse, that has occurred or is likely to have occurred, that has 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 have 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, the Supervisor of Elections, Escambia County Board of County Commissioners and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



Pensacola, Florida
January 18, 2023

ANNUAL AUDIT REPORT
SUPERVISOR OF ELECTIONS
ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND REPONSES
SEPTEMBER 30, 2022

There were no comments which require management's written response.



**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

SEPTEMBER 30, 2022

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR
SEPTEMBER 30, 2022**

CONTENTS

Independent Auditors' Report	1
Financial Statements:	
Balance Sheet – Governmental Fund	4
Statement of Revenues, Expenditures and Changes In Fund Balance – Governmental Fund	5
Statement of Fiduciary Net Position– Custodial Funds	6
Statement of Changes in Fiduciary Net Position – Custodial Funds	7
Notes to the Financial Statements	8
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – GAAP Basis – General Fund	14
Notes to Required Supplementary Information	15
Other Supplementary Information	
Combining Statement of Fiduciary Net Position – All Custodial Funds	16
Combining Statement of Changes in Fiduciary Net Position – All Custodial Funds	17
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 <i>Government Auditing Standards</i>	18
Independent Accountants' Report on Examination of Compliance Requirements In Accordance with Chapter 10.550, <i>Rules of the Auditor General</i>	20
Management Letter	21
Schedule of Findings and Responses	23

INDEPENDENT AUDITORS' REPORT

Honorable Scott Lunsford
Tax Collector Escambia County, Florida

Opinions

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Office of the Tax Collector of Escambia County, (hereinafter referred to as "Tax Collector"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and the aggregate remaining fund information of the Tax Collector as of September 30, 2022, and the respective changes in financial position, where applicable, thereof and 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 (GAAS) and the standards applicable to the 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 Tax Collector and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for the portion of each major fund, and the aggregate remaining fund information, of Escambia County, Florida that are attributable to the Tax Collector. They do not purport to and do not present fairly the financial position of Escambia County, Florida, as of September 30, 2022, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of 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 Tax Collector's ability to continue as a going concern for 12 months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the 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 Tax Collector's internal control. According, 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 Tax Collector'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 budgetary comparison schedule and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Collector's financial statements. The combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of these financial statements. The combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated, in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report on our consideration of the Tax Collector'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 included under the heading "*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.*" 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 Tax Collector's internal control over financial reporting and compliance.



December 8, 2022
Pensacola, Florida

Financial Statements

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

BALANCE SHEET – GOVERNMENTAL FUND

SEPTEMBER 30, 2022

	General Fund
Assets	
Cash and cash equivalents	\$ 1,367,826
Due from other governmental units	52
Total assets	<u>\$ 1,367,878</u>
Liabilities	
Accounts payable	\$ 309,775
Accrued liabilities	112,126
Due to Board of County Commissioners	760,034
Due to other governmental units	1,734
Unearned revenue	184,209
Total liabilities	1,367,878
Fund Balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 1,367,878</u>

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND**

YEAR ENDED SEPTEMBER 30, 2022

	General Fund
Revenues:	
Charges for services	\$ 3,834,999
Miscellaneous revenue	119,823
Total Revenues	<u>3,954,822</u>
Expenditures:	
Current:	
General government:	
Salaries and benefits	6,814,920
Operating expenditures	1,657,953
Capital outlay	96,650
Total Expenditures	<u>8,569,523</u>
Deficiency of revenues over expenditures	(4,614,701)
Other Financing Sources and (Uses):	
Transfers in	5,374,735
Transfers out	(760,034)
Total Other Financing Sources and (Uses)	<u>4,614,701</u>
Net Change in Fund Balance	-
Fund Balance, October 1, 2021	-
Fund Balance, September 30, 2022	<u><u>\$ -</u></u>

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS

YEAR ENDED SEPTEMBER 30, 2022

Assets

Cash and cash equivalents	\$ 4,902,196
Accounts receivable	<u>639,762</u>
Total assets	5,541,958

Liabilities

Due to individuals	328,505
Due to other governments	<u>5,213,453</u>
Total liabilities	<u>5,541,958</u>

Net Position

Restricted	<u>-</u>
Total net position	<u>\$ -</u>

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS

SEPTEMBER 30, 2022

Additions

Collections of taxes on behalf of other entities	\$ 347,723,537
Collections of fees on behalf of other entities	30,612,557
Other	<u>125,603</u>
Total additions	378,461,697

Deductions

Payments of taxes to other entities	347,801,793
Payments of fees to other entities	<u>30,659,904</u>
Total deductions	<u>378,461,697</u>
Net Change in Fiduciary Net Position	-
Net Position, October 1, 2021	<u>-</u>
Net Position, September 30, 2022	<u><u>\$ -</u></u>

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

A. Reporting entity

The Escambia County, Florida Tax Collector (Tax Collector) is an elected constitutional officer as provided by Article VIII, Section 1 (d) of the Constitution of the State of Florida. The Tax Collector's budget is approved by the Florida Department of Revenue and submitted to the Escambia County Board of County Commissioners (the Board). The Board pays a monthly fee to the Tax Collector for collection of property taxes based on a statutory formula. The remainder of the budget is funded by fees earned for providing services for other governmental agencies.

For financial reporting purposes, the Tax Collector is deemed to be a part of the primary government of Escambia County, Florida (the County), and therefore, is included as such in the Escambia County, Florida, Comprehensive Annual Financial Report.

B. Basis of presentation – fund financial statements

These financial statements have been prepared for the purpose of complying with *Rules of the Auditor General, State of Florida*, which require presentation of *fund level* only financial statements and permit omission of entity-wide full accrual financial statements and management's discussion and analysis. Therefore, these financial statements are intended to present only the financial position and changes in financial position of that portion of Escambia County, Florida, that relate to transactions of the Tax Collector and are not intended to present the financial position and changes in financial position of Escambia County, Florida, taken as a whole.

The Tax Collector's financial records and accounts are maintained in accordance with the principles of "fund accounting," whereby resources are classified for accounting and reporting purposes into funds to ensure compliance with any special restrictions or limitations on the use of such resources. The Tax Collector's funds are defined as follows:

Governmental Funds:

The *General Fund* is the general operating fund of the Tax Collector. It is used to account for all financial resources except those required to be accounted for in other funds.

Fiduciary Funds:

The *custodial funds* are used to account for assets held for individuals, private organizations or other governments and consist primarily of taxes and fees collected, but not distributed to other governments.

Fund balances are classified either as non-spendable or as restricted, committed, assigned and unassigned, based on the extent to which there are external and internal constraints on the spending.

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies – Continued

C. Measurement focus and basis of accounting

The general fund is accounted for using the *current resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they become susceptible to accrual—that is when they are both measurable and available to finance expenditures of the current period. The Tax Collector considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures generally are recorded when the related fund liability is incurred. However, expenditures for compensated absences are recognized when payments are made to employees.

Fiduciary fund financial statements are reported using the accrual basis of accounting.

D. Funding from Board of County Commissioners

Commissions from the Board are recorded as “transfers in” on the Statement of Revenues, Expenditures and Changes in Fund Balance.

In accordance with Florida Statutes, the General Fund’s excess of revenues and transfers over expenditures is returned to the Board at year end and is reported as a “transfer out” on the Statement of Revenues, Expenditures and Changes in Fund Balance.

E. Capital Assets

Capital assets (vehicles, equipment and other property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and depreciated in Escambia County’s government-wide financial statements.

F. Accumulated Compensated Absences

Employees may accumulate, subject to limitations, amounts of earned, but unused paid time off, which will be paid upon separation from service. The amount of vested accumulated compensated absences payable is reported as a liability in the statement of net position in the County’s basic financial statements. That liability includes earned, but unused paid time off, as well as FICA taxes and retirement contributions related thereto.

2. Change in Accounting Principle

For the year ended September 30, 2022, the Tax Collector implemented GASB Statement No. 87, *Leases*. The Tax Collector leases assets for various terms under certain agreements that meet the definition of a lease under GASB Statement No. 87, *Leases*. Detailed information about the Tax Collector’s leases can be found in the Comprehensive Annual Financial Report of Escambia County, Florida.

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO THE FINANCIAL STATEMENTS

3. Deposits and Investments

The investment of surplus funds is governed by the provisions of Florida Statute 218.415 as to the type of investments that can be made. Deposits may be exposed to custodial credit risk, which is the risk of loss in the event of a bank failure.

The Tax Collector manages custodial credit risk by maintaining its deposits in a financial institution designated as “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. Accordingly, risk of loss due to bank failure is not significant.

At September 30, 2022, the reported amount of the Tax Collector’s deposits was approximately \$6.26 million, and the bank balance was approximately \$6.46 million, consisting entirely of deposits in checking and saving accounts.

4. Interfund Receivables, Payables and Transfers

Interfund receivables and payables consist of amounts due to or from funds during the normal course of business. At September 30, 2022, there were no interfund receivables or payables within the Tax Collector’s funds. Transfers in consist of \$5,374,735 from the Board of County Commissioners and transfers out (excess budget and fees to the Board) totaled \$760,034.

5. Due To The Board of County Commissioners

At September 30, 2022, the due to Board of County Commissioners totals \$760,034 and is comprised of excess fees over expenditures.

6. Retirement Plan

The Tax Collector participates in the Florida Retirement System (FRS), administered by the Florida Department of Management Services. The FRS was established in 1970 by Chapter 121, Florida Statutes. Changes to the FRS can only be made by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The State of Florida issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for FRS. The report maybe be obtained on the division’s website at <http://www.dms.myflorida.com>. The report may also be obtained by contacting the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000.

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO THE FINANCIAL STATEMENTS

6. Retirement Plan – Continued

Employees elect participation in either the defined benefit plan (Pension Plan), a multiple-employer cost-sharing defined benefit retirement plan or the defined contribution plan (Investment Plan). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university community college or a participating city or special district within the State of Florida.

The FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members' highest five or eight fiscal years of earnings, depending upon enrollment date. A post-employment health insurance subsidy is also provided to eligible retired members through the FRS in accordance with Florida Statutes.

For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age.

For employees who were enrolled in the plan after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age.

Early retirement is available for vested members with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class.

In addition to the above benefits, the Deferred Retirement Option Program (DROP) is available under the Pension Plan when the member first reaches eligibility for normal retirement. This program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate.

For those members who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. The Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program.

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO THE FINANCIAL STATEMENTS

6. Retirement Plan – Continued

The contribution requirements of the Tax Collector and members are established and may be amended by FRS. Both plans are contributory for employees and require a 3% employee contribution. This is in addition to the contributions that are the obligation of the employer. The Tax Collector's contributions to FRS for the years ended September 30, 2022, 2021 and 2020, were \$658,644, \$607,591, and \$537,693, respectively, equal to the required contributions for each year.

The contribution rates in effect during the period ended September 30, 2022, 2021 and 2020 were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Regular Class:</u>	11.91%	10.82%	10.00%
Members not qualifying for other classes.			
<u>Senior Management Class:</u>	31.57%	29.01%	27.29%
Members of senior management who do not elect the optional annuity retirement program.			
<u>Elected Officials Class:</u>	57.00%	51.42%	49.18%
Certain elected county officials.			
<u>Deferred Retirement Option Program (DROP):</u>	18.60%	18.34%	16.98%
Members are enrolled in DROP from FRS			

Net Pension Obligation-Proportionate Share

The Tax Collector has a net FRS pension liability determined in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the governmental funds. All required disclosures and schedules may be found in the comprehensive annual financial report of Escambia County, Florida.

7. Other Post-Employment Benefits (OPEB), Other Than Pensions

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Tax Collector's Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability are measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Tax Collector's Office. Accordingly, these calculations and disclosures can be found in the County's comprehensive annual financial report.

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO THE FINANCIAL STATEMENTS

8. Risk Management

The County has a risk management program to insure claims against the Board, Constitutional Officers and Santa Rosa Island Authority for the following types of risks:

Workers Compensation – The County is covered for workers' compensation claims through a policy with the Florida Municipal Insurance Trust. Coverage limits under the policy include statutory limits, as well as \$1,000,000 bodily injury for each accident and \$1,000,000 bodily injury by disease for each employee with an aggregate \$1,000,000 policy limit.

Casualty and Property – Casualty limits are self-insured for \$200,000 per claim with a \$300,000 aggregate limit. Property limits are \$50,000 – \$250,000 self-insured retentions per occurrence with excess limits of \$45 million including wind.

The Tax Collector participated in the County's insurance program. There also were no significant reductions in insurance coverage from the prior year, and there have been no settlements, which exceeded the Tax Collector's insurance coverage in any of the past three fiscal years.

9. Litigation

The Tax Collector is contingently liable with respect to lawsuits and other claims, which might be filed incidental to the ordinary course of operations. In the opinion of management, based on the advice of legal counsel, there are no lawsuits or claims outstanding, which will have a material adverse effect on the financial position of the Tax Collector's Office.

Required Supplementary Information

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL –
GAAP BASIS – GENERAL FUND**

YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
Revenues:				
Charges for services	\$3,810,585	\$3,810,585	\$3,834,999	\$ 24,414
Miscellaneous revenue	110,500	110,500	119,823	9,323
Total Revenues	3,921,085	3,921,085	3,954,822	33,737
Expenditures:				
Current:				
General government:				
Salaries and benefits	7,391,215	7,294,563	6,814,920	479,643
Operating expenditures	1,779,215	1,779,215	1,657,953	121,262
Capital outlay	-	96,652	96,650	2
Total Expenditures	9,170,430	9,170,430	8,569,523	600,907
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,249,345)	(5,249,345)	(4,614,701)	(634,644)
Other Financing Sources and Uses:				
Transfers in	5,374,735	5,374,735	5,374,735	-
Transfers out	(125,390)	(125,390)	(760,034)	634,644
Total Other Financing Sources (Uses)	5,249,345	5,249,345	4,614,701	634,644
Net Change in Fund Balance	-	-	-	-
Fund Balance, October 1, 2021	-	-	-	-
Fund Balance, September 30, 2022	\$ -	\$ -	\$ -	\$ -

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The Tax Collector's Office operates under budget procedures pursuant to Florida Statutes. An annual budget is adopted for the general fund on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

Other Supplementary Information

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION –
CUSTODIAL FUNDS**

SEPTEMBER 30, 2022

	Custodial Funds		
	Tax Fund	Tag Fund	TOTAL
Assets			
Cash and cash equivalents	\$ 4,216,843	\$ 685,353	\$ 4,902,196
Accounts receivable	251	639,511	639,762
Total assets	4,217,094	1,324,864	5,541,958
Liabilities			
Due to individuals	236,768	91,737	328,505
Due to other governments	3,980,326	1,233,127	5,213,453
Total liabilities	4,217,094	1,324,864	5,541,958
Net Position			
Restricted	-	-	-
Total net position	\$ -	\$ -	\$ -

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
CUSTODIAL FUNDS**

SEPTEMBER 30, 2022

	Custodial Funds		
	Tax Fund	Tag Fund	TOTAL
Additions			
Collections of taxes on behalf of other entities	\$ 333,192,669	\$ 14,530,868	\$ 347,723,537
Collections of fees on behalf of other entities	559,117	30,053,440	30,612,557
Other	108,842	16,761	125,603
Total additions	333,860,628	44,601,069	378,461,697
Deductions			
Payments of taxes to other entities	333,266,695	14,535,098	347,801,793
Payments of fees to other entities	593,933	30,065,971	30,659,904
Total deductions	333,860,628	44,601,069	378,461,697
Net Change in Fiduciary Net Position	-	-	-
Net Position, October 1, 2021	-	-	-
Net Position, September 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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**

Honorable Scott Lunsford
Tax Collector Escambia County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements (hereinafter referred to as "financial statements") of the general fund and aggregate remaining fund information of the Tax Collector of Escambia County, Florida (hereinafter referred to as "Tax Collector"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements, and have issued our report thereon dated December 8, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tax Collector's internal control over financial reporting (internal control) as a basis for designing the 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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector'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 have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tax Collector'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 report is not suitable for any other purpose.

Warren Averett, LLC

December 8, 2022
Pensacola, Florida

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

Honorable Scott Lunsford
Escambia County Tax Collector

We have examined the Office of the Tax Collector of Escambia County, Florida's (hereinafter referred to as "Tax Collector") compliance with Florida Statute 218.415 in regard to investments for the year ended September 30, 2022. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector'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 Tax Collector complied, in all material respects, with the specified requirements. An examination involves performing procedures to obtain evidence about whether the Tax Collector 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 Tax Collector's compliance with specified requirements.

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

Warren Averett, LLC

December 8, 2022
Pensacola, Florida

MANAGEMENT LETTER

Honorable Scott Lunsford
Tax Collector Escambia County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Office of the Tax Collector of Escambia County, Florida (hereinafter referred to as "Tax Collector"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated December 8, 2022.

Auditors' Responsibility

We conducted our audit 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 Chapter 10.550 *Rules of the Florida Auditor General*.

Other Reporting Requirements

We have 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*; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports which are dated December 8, 2022, 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 audit report. There were no recommendations made in the preceding audit report.

Financial Management

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 have any such recommendations.

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 which 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, the Tax Collector, the Escambia County Board of County Commissioners and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Warren Averett, LLC

December 8, 2022
Pensacola, Florida

**ESCAMBIA COUNTY, FLORIDA
TAX COLLECTOR
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2022**

There were no comments which require management's written response.

