



FLORIDA  
**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**  
FISCAL YEAR ENDED JUNE 30, 2021



**JIMMY PATRONIS CHIEF FINANCIAL OFFICER**  
**FLORIDA DEPARTMENT OF FINANCIAL SERVICES**



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## **SPECIAL APPRECIATION**

Special appreciation is given to all fiscal and accounting personnel throughout the State of Florida who contributed financial information for their agencies and component units.

The report cover was designed by the Publications Unit, Division of Administration, Department of Financial Services.

**STATE OF FLORIDA**

**ANNUAL**

**COMPREHENSIVE**

**FINANCIAL REPORT**

Fiscal Year Ended June 30, 2021



**Ron DeSantis**  
GOVERNOR

**Jimmy Patronis**  
CHIEF FINANCIAL OFFICER

**FLORIDA DEPARTMENT OF FINANCIAL SERVICES**

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2021**

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# **INTRODUCTORY SECTION**





CHIEF FINANCIAL OFFICER  
JIMMY PATRONIS  
STATE OF FLORIDA

March 29, 2022

Citizens of the State of Florida  
The Honorable Ron DeSantis, Governor  
The Honorable Wilton Simpson, President of the Senate  
The Honorable Chris Sprowls, Speaker of the House of Representatives

To the Citizens of Florida, Governor DeSantis, President Simpson, and Speaker Sprowls:

I am pleased to submit the State of Florida's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021, in accordance with Section 216.102(3), Florida Statutes (F.S.). This report is prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control. The objective of internal control is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements. The concept of reasonable assurance ensures that the costs do not exceed the benefits derived.

The Auditor General has issued an opinion on the state's financial statements for the fiscal year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE STATE**

Florida's Constitution divides the governmental structure of the state into three independent branches. The Legislative Branch has exclusive lawmaking power for the state. The Executive Branch, consisting of the Governor, Cabinet, and their agencies, administers the laws made by the Legislature. The Governor shares executive power and responsibility with the Cabinet, which is composed of the Attorney General, Chief Financial Officer, and Commissioner of Agriculture. The Judicial Branch interprets the law and applies the Constitution. The organizational chart following this letter provides an overview of the state's structure. Florida's government provides a range of services to its citizens including education, health and family services, transportation, public safety, law and corrections, natural resources and environmental protection.

The financial reporting entity of the state includes the primary government as well as component units for which the state is either financially accountable or a relationship exists with the state such that exclusion would cause the financial statements to be misleading. Refer to Note 1 to the financial statements for a listing of Florida's component units and the Financial Section of the report to obtain an overview of their financial positions.

Florida's budget is prepared using the processes set forth in Chapter 216, F.S. The major phases of the budget process are detailed in the Other Required Supplementary Information Section of this report. Florida law strictly prohibits overspending and requires budgetary control to be maintained at the individual appropriation account level.

## **ECONOMIC CONDITION**

After ending last year with its first year of negative growth in General Fund collections in a decade, Florida moved deep into positive territory as the state's fiscal year ended on June 30, 2021. Economic disruption is still evident over the next few years, with some economic variables increasing from abnormally low activity and others dropping back from artificially high activity; however, the most recent forecast solidifies the outlook for a sustained recovery from the pandemic. In this regard, economic activity continues to increase from the depths of the "Safer-at-Home" period almost two years ago. Since then, consumers have cautiously resumed spending in the hard-hit service sector while continuing their collective splurge on goods, with a notable number of consumers spending down the atypically

large savings that built up during the pandemic, along with the direct relief funds provided by the various stimulus packages. While all Florida industries were impacted by the pandemic-induced economic contraction, Florida's leisure and hospitality industry has borne the brunt of the longer-term consequences. Further overshadowing the more positive aspects of the most recent forecast, the Economic Estimating Conference highlighted the substantial risk arising from the current inflationary pressures on its outlook for consumer spending. This risk is exacerbated by the continuing waves of COVID-19, particularly the Omicron variant. The key economic drivers most relevant to the state's revenue forecasts are discussed in greater detail below.

One measure for assessing the economic health of states is the year-to-year change in real Gross Domestic Product (that is, all goods and services produced or exchanged within a state). During the early period of the pandemic, the change in Florida's Gross Domestic Product (GDP) each quarter almost matched the nation as a whole. While the state's GDP slumped -0.3 percent in fiscal year 2019-20 and grew only 1.8 percent in fiscal year 2020-21, the Economic Estimating Conference anticipates that the state will expand at more than double the pre-pandemic rate for this fiscal year, posting 4.8 percent growth before decelerating to 3.1 percent in fiscal year 2022-23. Starting with fiscal year 2023-24, annual growth will average a more characteristic 2.0 percent.

Normally, personal income growth is another important gauge of the state's economic health; however, its changes have been in stark contrast to GDP, driven largely by the ebb and flow of federal dollars into Florida households. For example, in the first quarter of the 2021 calendar year, Florida's personal income growth shot up 65.1 percent, largely due to two different federal stimulus and relief programs converging in the quarter. As the federal support measures began to expire, the state's personal income plummeted to an annualized -19.6 percent in the second quarter of the 2021 calendar year to produce a final growth rate for the 2020-21 fiscal year of 7.5 percent, the highest rate since 2015. The Economic Estimating Conference expects personal income to increase by 4.0 percent in the current fiscal year as furloughed and laid off workers continue to return to their jobs or find new opportunities, with wage growth offsetting much of the loss of the massive government relief measures. Thereafter, annual growth rates are expected to remain solidly at or above 4.0 percent.

The key measures of employment are job growth and the unemployment rate. After a -1.1 percent decline in fiscal year 2019-20, total non-farm employment declined by another -3.1 percent in the 2020-21 fiscal year. By November 2021, about 91 percent of the jobs lost during the pandemic had returned. As the recovery continues to near completion, employment is expected to regain its fiscal year 2018-19 peak in the current fiscal year. Following the other extremes experienced during the pandemic, the projected +5.5 percent growth will be the highest annual growth rate since the series began in 1991. After two more fiscal years of above-trend job increases in 2022-23 and 2023-24, annual growth moderates to slightly above 1 percent, a more typical rate in the pre-pandemic forecasts. Lagging behind the general recovery, jobs in the hard-hit and service-intensive leisure and hospitality industry are not expected to reach their pre-pandemic levels until fiscal year 2023-24.

From September through December 2019, Florida's unemployment rate dropped to 3.2 percent, collectively registering the second lowest recorded unemployment rate since the series began in 1976. With the onset of the pandemic, the unemployment rate spiked to 14.2 percent in May 2020, handily surpassing the prior peak rate of 10.9 percent experienced in January to April 2010 during the Great Recession. By December 2020, the state's unemployment rate had dropped back to 5.1 percent, and by November 2021 to 4.5 percent. The Conference projects that the unemployment rate will average 4.3 percent in fiscal year 2021-22. Thereafter, the rate continues its downward drift until it reaches 3.4 percent in the 2022-23 and 2023-24 fiscal years, after which it slowly rises to plateau at 4.0 percent. The Economic Estimating Conference assumes the "full employment" unemployment rate is about this level.

Two areas of the state's economy indirectly benefited from the Federal Reserve's actions to protect the economy from the worst of the pandemic effects, but with a future payback: real estate and construction. Throughout the worst of the crisis, these economic sectors thrived as the federal funds rate neared zero and pushed interest rates to historical lows. By the second quarter of calendar year 2021, single-family starts were +62.9 percent higher than the same period in the prior year, while multi-family starts were +84.0 percent higher. Total private housing starts reached a 15-year high of almost 204,000 units in fiscal year 2020-21. They are expected to easily pass that level in the current fiscal year, yet they are still far from the housing boom peak of over 272,000 units in fiscal year 2004-05. Total starts grew by 21.0 percent in fiscal year 2020-21, and they are projected to grow by another 5.6 percent in fiscal year 2021-22 from that already elevated level. Consecutive annual declines are expected over the remaining nine years of the forecast as interest rates and residential construction activity return to the levels expected pre-pandemic. At the end of the ten-year forecast period, total private housing starts achieve only 53.6 percent of the peak in fiscal year 2004-05, but similar projections were made in the pre-pandemic forecast. Construction employment does not get back to its peak level from fiscal year 2005-06 in the ten-year forecast window.

Finally, Florida's tourism-sensitive economy is particularly vulnerable to the longer-term effects of the pandemic. Previous economic studies of disease outbreaks have shown that it can take as much as twelve to fifteen months after the outbreak ends for tourism to return to pre-disease levels. The magnitude of this event is greater, and the timing is less clear due to the continuously emerging new variants of COVID-19. The total number of tourists declined nearly -70.0 percent from the prior year in the second quarter of 2020. After that dramatic drop, tourism improved to 96.0 percent of the last full pre-COVID quarter by the third quarter of 2021 calendar year, buttressed by the increased number of domestic visitors travelling to Florida by air or car. While the number of tourists is high, the mix and type of tourist are abnormal. Several industry groups have already predicted that it will take at least two years to reach full recovery from the

pandemic. The ultimate timing will be influenced by the actual course of the disease over the next few months, as well as the widespread distribution of vaccines globally. Even so, the Conference expects robust growth during fiscal year 2021-22, with a projected overall increase of 36.3 percent from the extremely suppressed level in fiscal year 2020-21. As the final pieces of the recovery fall into place, the 2022-23 and 2023-24 fiscal years will also exhibit above average growth of 7.6 and 5.7 percent, respectively. The annual growth rate moderates thereafter to an average of 4.1 percent per year. While the new forecast levels never exceed the pre-pandemic forecast levels for those years, they come close in the latter part of the 10-year forecast horizon.

While this information will become the foundation of its work, the Revenue Estimating Conference did not meet to update its General Revenue forecast until January 21, 2022. In its recent publications, the Florida Legislature's Office of Economic and Demographic Research notes that much of the current strength in the state's revenue collections is related to time-limited factors and, as such, introduce new risks to the forecast as the underlying conditions realign and return to normal patterns.

These risks are most acute for the sales tax forecast. Since the last Revenue Estimating Conference for General Revenue in August, collections have run \$1.62 billion over estimate through November 2021. Over two-thirds of the increase has come from sales tax receipts. While the collection impact from the online tax changes made during the 2021 Legislative Session (Ch. 21-002, Laws of Fla.) is slightly stronger than expected, the year-to-date overage is more related to the time-limited benefits from:

1. The most recent round of stimulus checks to households. All else being equal, this boost has likely begun to wane. However, some of this negative impact has been ameliorated by the Advance Child Tax Credit payments which began monthly installments in July 2021 and continued through December 2021.
2. Redirected spending from the hard-hit service sector. Relative to "normal" times, the mix is still heavily tilted toward goods and away from services.
3. Some consumers' ability to draw down atypically large savings that built up during the pandemic. After increasing to a historic peak rate of 33.7 percent in April 2020 from the 7.9 percent for the entire 2018-19 fiscal year, just released personal income data indicated that the personal savings rate was below normal at 6.9 percent for November 2021. This was the second month of subpar savings.

Inflation is an oddity from a tax perspective. The Consumer Price Index increased for November 2021, with the all items index for the last 12 months increasing 6.8 percent before seasonal adjustment. This was the largest 12-month increase since June 1982. The immediate response to inflation is an increase in sales tax collections that reflects the higher prices, but—to the extent that consumers expect the higher prices to persist—they adjust their purchasing patterns to incorporate cheaper products and/or reductions in purchases. Over several months, collections end up back at the level they started from, but with a slightly different mix. If inflation noticeably worsens (relative to what it is now), it would become a drag on sales tax collections as consumers have to spend more money on non-taxable necessities like food and healthcare.

#### ACKNOWLEDGEMENTS

Preparation of the ACFR requires a significant investment of time and resources of fiscal and accounting personnel throughout the state. We appreciate all the contributions made to this effort.

Sincerely,

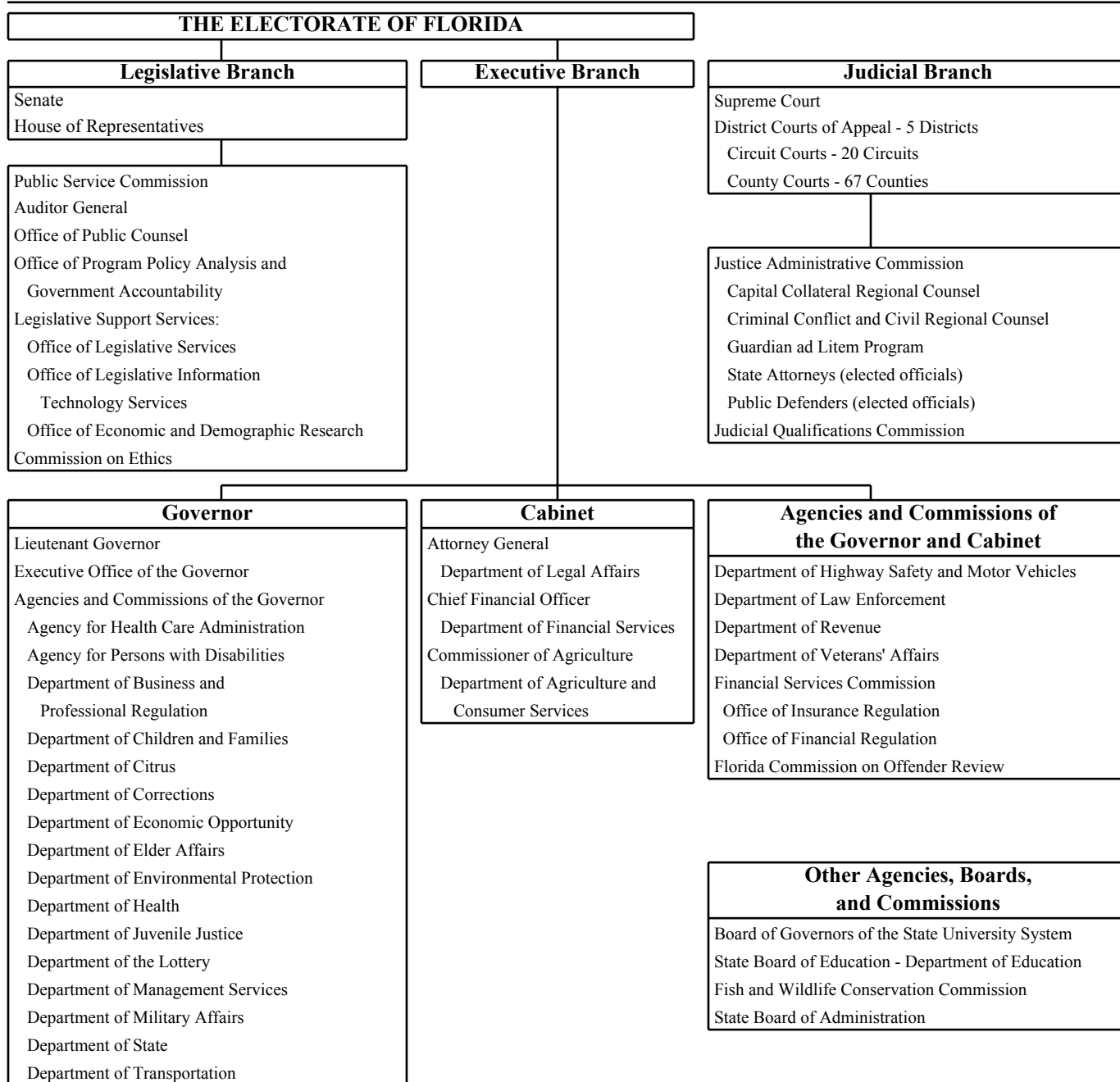


Jimmy Patronis  
Chief Financial Officer

JP:pjb



**ORGANIZATION AT JUNE 30, 2021**



**PRINCIPAL OFFICIALS AT JUNE 30, 2021**

**Legislative Branch**

Senate  
  Wilton Simpson, President  
House of Representatives  
  Chris Sprowls, Speaker

**Executive Branch**

Ron DeSantis, Governor  
Jeanette Nuñez, Lieutenant Governor  
Cabinet  
  Ashley Moody, Attorney General  
  Jimmy Patronis, Chief Financial Officer  
  Nicole "Nikki" Fried, Commissioner of Agriculture

**Judicial Branch**

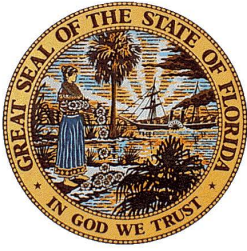
Charles T. Canady, Chief Justice

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# **FINANCIAL SECTION**



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Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

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The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## INDEPENDENT AUDITOR'S REPORT

### Report on the Financial Statements

We have audited the accompanying 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 the State of Florida, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

### *Management's Responsibility 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of:

- The Prepaid College Program Fund, which is a major enterprise fund and represents 34 percent and 3 percent, respectively, of the assets and revenues of the business-type activities.
- The Florida Turnpike System, which represents 80 percent and 90 percent, respectively, of the assets and revenues of the Transportation major enterprise fund.
- The Hurricane Catastrophe Fund, which is a major enterprise fund and represents 30 percent and 4 percent, respectively, of the assets and revenues of the business-type activities.
- The College Savings Plan and the trust fund maintained by the State Board of Administration to account for the investments of the Public Employee Optional Retirement Program, which collectively represent 6 percent of the assets and 4 percent of the revenues/additions of the aggregate remaining fund information.

- The Florida Retirement System Trust Fund maintained by the State Board of Administration to account for the assets and investment income of the Florida Retirement System Defined Benefit Pension Plan which represent 91 percent and 81 percent, respectively, of the assets and additions of the Pension and Other Employee Benefits Trust Funds.
- The Florida Housing Finance Corporation, Citizens Property Insurance Corporation, component units related to the State's universities and colleges, and certain other funds and entities that, in the aggregate, represent 63 percent and 42 percent, respectively, of the assets and revenues of the discretely presented component units.

The financial statements for the above-listed funds and entities were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for these funds and entities, are based solely on the reports of the other auditors. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



## Summary of Opinions

| <i>Opinion Unit</i>  | <i>Type of Opinion</i> |
|--|------------------------|
| Governmental Activities                                    | Unmodified             |
| Business-Type Activities                                   | Qualified              |
| Aggregate Discretely Presented Component Units             | Unmodified             |
| General Fund   | Unmodified             |
| Natural Resources, Environment, and Growth Management Fund | Unmodified             |
| Public Education Fund                                      | Unmodified             |
| Health and Family Services Fund                            | Unmodified             |
| Governmental - Transportation Fund                         | Unmodified             |
| Proprietary - Transportation Fund                          | Unmodified             |
| Lottery Fund   | Unmodified             |
| Hurricane Catastrophe Fund                                 | Unmodified             |
| Prepaid College Program Fund                               | Unmodified             |
| Reemployment Assistance Fund                               | Qualified              |
| Aggregate Remaining Fund Information                       | Unmodified             |

### ***Basis for Qualified Opinions on Business-Type Activities and Reemployment Assistance Fund***

During the first three quarters of the 2020-21 fiscal year, Florida Department of Economic Opportunity (FDEO) management continued to bypass a key Reemployment Assistance Claims and Benefits Information System (RA System) internal control, thereby increasing the risk of improper unemployment insurance (UI) benefit payments and undetected material misstatements. During the 2020-21 fiscal year, the FDEO paid UI benefit payments totaling \$20,982,950,043. However, as of January 6, 2022, FDEO management was unable to provide the number of initial UI benefit payments processed through the bypass procedure during the 2020-21 fiscal year. Consequently, the FDEO was unable to estimate or record a receivable or revenue for potentially fraudulent claims. Because of this, we were unable to obtain sufficient appropriate audit evidence to conclude that the Receivables, net, Operating Revenues – Other, and Net Position – Restricted for Reemployment Assistance in the Reemployment Assistance Fund were free from material misstatement. Accounting principles generally accepted in the United States of America (GAAP) require that an asset and a revenue be recognized for the amount of UI benefit payments expected to be reclaimed when eligibility requirements are no longer met and that net position be restricted when constraints on use are either imposed by laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The amount by which these GAAP departures would affect the Reemployment Assistance Fund's Receivables, net, Operating Revenues – Other, and Net Position – Restricted for Reemployment Assistance and, consequently, the Business-Type Activities has not been determined.

### ***Qualified Opinions***

In our opinion, except for the effects of the matters described in the “Basis for Qualified Opinions on Business-Type Activities and Reemployment Assistance Fund” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the

Business-Type Activities and Reemployment Assistance Fund of the State of Florida, as of June 30, 2021, 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.

### ***Unmodified Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities; the aggregate discretely presented component units; the General Fund; Natural Resources, Environment, and Growth Management Fund; Public Education Fund; Health and Family Services Fund; Transportation Governmental Fund; Transportation Proprietary Fund; Lottery Fund; Hurricane Catastrophe Fund; Prepaid College Program Fund; and the aggregate remaining fund information of the State of Florida, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the State implemented Government Accounting Standards Board Statement No. 84, *Fiduciary Activities*, which is a change in accounting principle that addresses the accounting and financial reporting for fiduciary funds. This affects the comparability of amounts reported in the 2020-21 fiscal year with amounts reported for the 2019-20 fiscal year. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 19 through 25 and the budgetary information, funding and contribution information for pension and other postemployment benefits, and information on infrastructure using the modified approach on pages 184 through 201 be presented to supplement the basic financial statements. Such information, 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 and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The Introductory Section on pages 6 through 9 and the combining and individual fund statements, related budgetary comparison schedules, and Statistical Section on pages 205 through 321 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and related budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The combining and individual fund statements and related budgetary comparison schedules have 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, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund statements and related budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section and the Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2022, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, administrative 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 the effectiveness of the State'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 State's internal control over financial reporting and compliance. That report will be included as part of our separately issued report entitled *State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards*.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
March 29, 2022

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

The information contained in the Management's Discussion and Analysis (MD&A) introduces the basic financial statements and provides an analytical overview of the State of Florida's (the state's) financial activities and performance for the fiscal year ended June 30, 2021 (fiscal year 2020-21). Please read the MD&A in conjunction with the state's financial statements that are presented in the Financial Section of this Annual Comprehensive Financial Report (ACFR).

### Financial Statements Overview

The state's basic financial statements are comprised of the following elements:

#### **Government-wide Financial Statements**

Government-wide financial statements provide both long-term and short-term information about the state's overall financial condition. Changes in the state's financial position may be measured over time by increases and decreases in the Statement of Net Position. Information on how the state's net position changed during the fiscal year is presented in the Statement of Activities. Financial information for the state's component units is also presented.

#### **Fund Financial Statements**

Fund financial statements for governmental and proprietary funds focus on individual parts of the state, reporting the state's operations in more detail than the government-wide financial statements. Fund financial statements for fiduciary funds are also included to provide financial information related to the state's fiduciary activities.

#### **Notes to the Financial Statements**

Notes to the financial statements provide additional information that is essential to the full understanding of the government-wide and fund financial statements. Refer to Note 1 to the financial statements for more information on the elements of the financial statements. Table 1 below summarizes the major features of the basic financial statements.

|  | <b>Government-wide<br/>Financial Statements</b>   | <b>Fund Financial Statements</b>   |   |   |
|--|---|--|---|---|
|  |   | <i>Governmental Funds</i>  | <i>Proprietary Funds</i>  | <i>Fiduciary Funds</i>  |
| <b>Scope</b>   | Entire state government (except fiduciary funds) and the state's component units  | Activities of the state that are not proprietary or fiduciary  | Activities of the state that are operated similar to private businesses   | Instances in which the state is the trustee or agent for someone else's resources   |
| <b>Required financial statements</b>                                     | <ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>  | <ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>   | <ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenues, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>                    | <ul style="list-style-type: none"> <li>• Statement of fiduciary net position</li> <li>• Statement of changes in fiduciary net position</li> </ul>   |
| <b>Accounting basis and measurement focus</b>                            | Accrual accounting and economic resources focus   | Modified accrual accounting and current financial resources focus  | Accrual accounting and economic resources focus   | Accrual accounting and economic resources focus   |
| <b>Type of asset, liability, and deferred outflow/inflow information</b> | <ul style="list-style-type: none"> <li>• All assets and liabilities, both financial and capital, and short-term and long-term</li> <li>• All deferred outflows and deferred inflows of resources</li> </ul> | <ul style="list-style-type: none"> <li>• Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included</li> <li>• All deferred outflows and deferred inflows of resources</li> </ul>   | <ul style="list-style-type: none"> <li>• All assets and liabilities, both financial and capital, and short-term and long-term</li> <li>• All deferred outflows and deferred inflows of resources</li> </ul> | <ul style="list-style-type: none"> <li>• All assets and liabilities, both financial and capital, and short-term and long-term</li> <li>• All deferred outflows and deferred inflows of resources</li> </ul> |
| <b>Type of inflow/outflow information</b>                                | All revenues and expenses during the year, regardless of when cash is received or paid  | <ul style="list-style-type: none"> <li>• Revenues for which cash is received during or soon after the end of the year</li> <li>• Expenditures when goods or services have been received and payment is due during the year or soon thereafter</li> </ul> | All revenues and expenses during the year, regardless of when cash is received or paid  | All revenues and expenses during the year, regardless of when cash is received or paid  |



**Condensed Government-wide Financial Statements and Overall Financial Analysis**

**Statement of Net Position**

Table 2 below presents the state's Condensed Statement of Net Position as of June 30, 2021, and 2020, derived from the government-wide Statement of Net Position. The state's net position at the close of the fiscal year was \$77.9 billion for governmental activities and \$29.6 billion for business-type activities which was a combined total of \$107.5 billion for the primary government. The three components of net position include net investments in capital assets; restricted; and unrestricted. The largest component, totaling \$90 billion as of June 30, 2021, reflects net investments in capital assets. The state uses these capital assets to provide services to the citizens and businesses in the state; consequently, this component of net position is not available for future spending. Restricted net position is the next largest component, totaling \$27.5 billion as of June 30, 2021. Restricted net position represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used.

Governmental activities reflect a negative or deficit fund balance in unrestricted net position of \$10.7 billion at June 30, 2021. This deficit primarily results from education-related bonds for which the state is responsible for the liability while the related assets are owned by local school districts and are therefore not included in the state's financial statements. Refer to Note 8 to the financial statements, Governmental Activities – Unrestricted Net Position Deficit, for more information.

Business-type activities reflect a restricted net position of \$16.3 billion at June 30, 2021, a decrease of \$319 million over the prior year. The decrease in the restricted net position over that reported in prior years is explained in the Major Fund Analysis, Proprietary Funds section that follows.

**Table 2: Condensed Statement of Net Position**

|                                      | As of June 30              |           |                             |           |                             |           |
|--------------------------------------|----------------------------|-----------|-----------------------------|-----------|-----------------------------|-----------|
|                                      | (in millions)              |           |                             |           |                             |           |
|                                      | Governmental<br>Activities |           | Business-type<br>Activities |           | Total Primary<br>Government |           |
|                                      | 2021                       | 2020      | 2021                        | 2020      | 2021                        | 2020      |
| Current and other assets             | \$ 43,645                  | \$ 34,148 | \$ 40,562                   | \$ 39,440 | \$ 84,207                   | \$ 73,588 |
| Capital assets, net                  | 83,491                     | 81,110    | 15,927                      | 15,236    | 99,418                      | 96,346    |
| Total assets                         | 127,136                    | 115,258   | 56,489                      | 54,676    | 183,625                     | 169,934   |
| Total deferred outflows of resources | 4,980                      | 5,023     | 121                         | 122       | 5,101                       | 5,145     |
| Other liabilities                    | 15,683                     | 8,712     | 8,758                       | 9,450     | 24,441                      | 18,162    |
| Noncurrent liabilities               | 34,083                     | 39,060    | 18,037                      | 15,639    | 52,120                      | 54,699    |
| Total liabilities                    | 49,766                     | 47,772    | 26,795                      | 25,089    | 76,561                      | 72,861    |
| Total deferred inflows of resources  | 4,414                      | 2,839     | 250                         | 215       | 4,664                       | 3,054     |
| Net position                         |                            |           |                             |           |                             |           |
| Net investments in capital assets    | 77,435                     | 75,163    | 12,591                      | 12,022    | 90,026                      | 87,185    |
| Restricted                           | 11,168                     | 10,057    | 16,308                      | 16,627    | 27,476                      | 26,684    |
| Unrestricted                         | (10,667)                   | (15,550)  | 666                         | 845       | (10,001)                    | (14,705)  |
| Total net position                   | \$ 77,936                  | \$ 69,670 | \$ 29,565                   | \$ 29,494 | \$ 107,501                  | \$ 99,164 |

**Statement of Activities**

Table 3 presents the state's Condensed Statement of Activities for fiscal year 2020-21 and fiscal year 2019-20, as derived from the government-wide Statement of Activities. Over time, increases and decreases in the net position measure whether the state's financial position is improving or deteriorating. The state's total net position increased during the fiscal year by \$8.9 billion. The net position of governmental activities increased by \$8.8 billion, and the net position of business-type activities increased by \$61 million. The majority of the \$11.8 billion increase in total program expenses for governmental activities relates to a \$7.5 billion increase in Human Services expenses, while the largest increase in business-type activities expenses is the \$11.8 billion increase in Reemployment Assistance program expenses. Refer to the Major Fund Analysis section for information regarding the overall increase in revenues from governmental activities.

**Table 3: Condensed Statement of Activities**  
**For the Fiscal Year Ended June 30**  
(in millions)

|  | Governmental Activities |           | Business-type Activities |           | Total Primary Government |           |
|--|-------------------------|-----------|--------------------------|-----------|--------------------------|-----------|
|  | 2021                    | 2020      | 2021                     | 2020      | 2021                     | 2020      |
| Revenues   |                         |           |                          |           |                          |           |
| Program revenues                                     |                         |           |                          |           |                          |           |
| Charges for services                                 | \$ 8,556                | \$ 8,184  | \$ 14,181                | \$ 12,141 | \$ 22,737                | \$ 20,325 |
| Operating grants and contributions                   | 46,653                  | 34,671    | 18,685                   | 6,847     | 65,338                   | 41,518    |
| Capital grants and contributions                     | 2,152                   | 2,077     | 1                        | 14        | 2,153                    | 2,091     |
| Total program revenues                               | 57,361                  | 44,932    | 32,867                   | 19,002    | 90,228                   | 63,934    |
| General revenues and payments                        |                         |           |                          |           |                          |           |
| Sales and use tax                                    | 30,452                  | 26,936    | —                        | —         | 30,452                   | 26,936    |
| Other taxes  | 16,700                  | 14,064    | —                        | —         | 16,700                   | 14,064    |
| Investment earnings (loss)                           | (415)                   | 887       | (7)                      | 11        | (422)                    | 898       |
| Miscellaneous  | 21                      | —         | 1                        | 3         | 22                       | 3         |
| Total general revenues and payments                  | 46,758                  | 41,887    | (6)                      | 14        | 46,752                   | 41,901    |
| Total revenues                                       | 104,119                 | 86,819    | 32,861                   | 19,016    | 136,980                  | 105,835   |
| Program expenses                                     |                         |           |                          |           |                          |           |
| General government                                   | 11,254                  | 9,615     | —                        | —         | 11,254                   | 9,615     |
| Education  | 25,506                  | 23,297    | —                        | —         | 25,506                   | 23,297    |
| Human services                                       | 46,913                  | 39,400    | —                        | —         | 46,913                   | 39,400    |
| Criminal justice and corrections                     | 5,156                   | 5,179     | —                        | —         | 5,156                    | 5,179     |
| Natural resources and environment                    | 3,473                   | 3,187     | —                        | —         | 3,473                    | 3,187     |
| Transportation                                       | 4,491                   | 4,301     | 822                      | 843       | 5,313                    | 5,144     |
| Judicial branch                                      | 702                     | 695       | —                        | —         | 702                      | 695       |
| Lottery  | —                       | —         | 6,861                    | 5,653     | 6,861                    | 5,653     |
| Hurricane Catastrophe Fund                           | —                       | —         | 1,383                    | 1,556     | 1,383                    | 1,556     |
| Prepaid College Program                              | —                       | —         | (39)                     | 899       | (39)                     | 899       |
| Reemployment Assistance                              | —                       | —         | 21,013                   | 9,191     | 21,013                   | 9,191     |
| Nonmajor enterprise funds                            | —                       | —         | 420                      | 389       | 420                      | 389       |
| Indirect interest on long term debt                  | 77                      | 67        | —                        | —         | 77                       | 67        |
| Total program expenses                               | 97,572                  | 85,741    | 30,460                   | 18,531    | 128,032                  | 104,272   |
| Excess (deficiency) before gain (loss) and transfers | 6,547                   | 1,078     | 2,401                    | 485       | 8,948                    | 1,563     |
| Gain (loss) on sale of capital assets                | (14)                    | 5         | (3)                      | (1)       | (17)                     | 4         |
| Transfers  | 2,337                   | 1,763     | (2,337)                  | (1,763)   | —                        | —         |
| Change in net position                               | 8,870                   | 2,846     | 61                       | (1,279)   | 8,931                    | 1,567     |
| Beginning net position, as restated (Note 1)         | 69,066                  | 66,824    | 29,504                   | 30,773    | 98,570                   | 97,597    |
| Ending net position                                  | \$ 77,936               | \$ 69,670 | \$ 29,565                | \$ 29,494 | \$ 107,501               | \$ 99,164 |

## Major Fund Analysis

### Governmental Funds

The state's governmental funds reported a combined ending fund balance of \$27.0 billion at June 30, 2021, a \$7.0 billion or 35.3 percent increase from the prior year. Revenues increased by \$17.2 billion or 19.8 percent, other financing sources and uses increased by \$544 million or 18.2 percent, and expenditures increased by \$11.2 billion or 12.5 percent. Overall increases in revenues and expenditures were primarily attributable to a rise in grants and donations.

### Proprietary Funds

The state's proprietary funds report combined ending net position of \$29.6 billion at June 30, 2021, of which \$12.6 billion is the net investment in capital assets, and \$16.3 billion is restricted for specific purposes. The remaining \$666 million was unrestricted and available for purposes of the various funds. Information is provided below regarding major funds with significant variances relative to the prior year.

**Lottery** – This fund reported a net position of \$52 million at June 30, 2021, a decrease of \$37 million or 42 percent. The decrease in net position was primarily due to a decrease in the amount restricted for undistributed appreciation on restricted investments, a decrease in the amount of restricted for Multi-State Lottery Association and an increase in the amount of restricted for future prizes or special prize promotions.

**Reemployment Assistance** – This fund reported a net position of \$1.0 billion at June 30, 2021, a decrease of \$1.3 billion or 56.6 percent. Revenues increased by \$12.5 billion or 169 percent while expenses and operating transfers out increased by \$11.9 billion or 129.2 percent. Revenues increased as result of the COVID-19 pandemic during the fiscal year. The increase in expenses and operating transfers out were due to higher reemployment assistance during the COVID-19 pandemic.

**Hurricane Catastrophe Fund** – The net position at June 30, 2021, totaled \$10.2 billion, a decrease of \$156.6 million or 1.5 percent. Assets increased by \$1.8 billion or 12 percent, and liabilities increased \$2 billion or 39.9 percent. The decrease in net position was primarily due to ongoing reimbursements to participating insurers for losses from hurricanes in 2017 and 2018. The increase in assets and liabilities was primarily due to the issuance of bonds in September 2020.

**Prepaid College Program** – The net position at June 30, 2021, totaled \$4.7 billion, an increase of \$1.1 billion or 32.1 percent. Revenues increased by \$342.8 million or 44.84 percent, and expenses decreased by \$937.9 million or 104.33 percent. Net position and revenues increased primarily due to several key COVID-19 related actions taken by the Prepaid College Program Board during 2019-20 fiscal year as well as an increase in the actuarial reserve due to earnings on the reserve portfolio and tuition not increasing as anticipated for the 2021-22 fiscal year. Expenses decreased primarily due to the increases in the discount rate during the period from 1.59 percent to 2.13 percent and to decreases in investment expense and securities lending expense.

### **General Fund Budget Variances**

Budgeted expenditures are based on revenues estimated by the Revenue Estimating Conference and other sources. Original expenditures are budgeted for less than total expected available resources. There was a \$3.3 billion increase between the original and final estimated revenues. Final budgeted total expenditures increased by \$3.2 billion from the original budget. Variances between the original and final budget or between the final budgeted and actual amounts are not expected to significantly affect future services or liquidity. For additional information on the budget variances, refer to the Budgetary Comparison Schedule for the General Fund in the Other Required Supplementary Information section of the ACFR.

### **Capital Asset and Long-term Debt Activity**

#### Capital Asset Activity

At June 30, 2021, the state reported \$83.5 billion in net capital assets for governmental activities and \$15.9 billion in net capital assets for business-type activities. Net capital assets for governmental and business-type activities increased from fiscal year 2019-20 to fiscal year 2020-21 by approximately 3.2 percent. The increase is primarily due to the capitalization of construction costs for infrastructure projects. Capitalized infrastructure projects include additions to and/or enhancements of roadways and bridges on the state's highway system. Construction commitments by the Florida Department of Transportation were approximately \$11.3 billion. Construction commitments by other state agencies for major projects including office buildings and correctional facilities increased by \$99 million compared to the prior year. Refer to Note 5 to the financial statements for information on capital assets and Note 7 to the financial statements for information on construction commitments.

### **Long-term Debt Activity**

Total bonded debt outstanding increased by \$2.0 billion, or approximately 11.7 percent, from the prior fiscal year to a total of \$19.3 billion at June 30, 2021 due to new debt issued being less than scheduled amortization and debt service payments. The majority of the outstanding bonded debt serves to finance educational facilities (\$8.3 billion), the Florida Hurricane Catastrophe Fund (\$4.2 billion) and transportation (\$5.4 billion). New and refinanced bonded debt issues for 2021 totaled \$6 billion. Public-Private Partnership (PPP) contracts outstanding decreased from the prior year by \$60 million or 2.0 percent to a total of \$2.9 billion. The annual debt service requirements decreased from \$2.3 billion in 2020 to \$2.0 billion in 2021. The decrease in debt service in Fiscal Year 2021 reflected the significant rebound in revenues generated by the State's strong economic recovery. The annual debt service is projected to decrease to approximately \$1.8 billion through Fiscal Year 2023, then continue to decrease to approximately \$1.7 billion in Fiscal Year 2024, reflecting the payment obligations for the PPP I-395 and I-4 projects.

Pursuant to the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, the State of Florida recorded \$10.2 billion in pension liabilities for the defined benefit plans it administers for the fiscal year ended June 30, 2021. The \$10.2 billion includes the State's proportionate share of the liability for the Florida Retirement System Pension Plan, the Retiree Health Insurance Subsidy Program, and the Florida National Guard Supplemental Retirement Benefit Plan. (See Note 6 to the Financial Statements for further information.)

Pursuant to the provisions of GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State of Florida recorded \$7.2 billion in other postemployment benefits liabilities for the fiscal year ended June 30, 2021. This resulted in a decrease of \$2.0 billion or 21.9 percent. (See Note 6 to the Financial Statements for further information.)

The state maintained its credit ratings during the past year. During the fiscal year ended June 30, 2021, all three major rating agencies (Standard & Poor's Rating Services, Fitch Ratings and Moody's Investors Services) rated the state in the highest rating category and have affirmed the State's AAA general obligation rating and stable outlooks. The state's benchmark debt ratio decreased in Fiscal Year 2021 to 4.3 percent and is projected to remain below the 6 percent policy target for the foreseeable future.

Section 11 of Article VII of the State Constitution authorizes the state to issue general obligation bonds or revenue bonds to finance or refinance fixed capital outlay projects authorized by law. General obligation bonds are secured by the full faith and credit of the state and payable from specified taxes. Revenue bonds are payable solely from specified revenues. The responsibility to issue most state bonds rests with the Division of Bond Finance of the State Board of Administration. However, certain quasi-governmental entities also incur debt and are reported as part of the primary government. See the *State of Florida 2021 Debt Report* for more detailed information about the state's debt position. The report can be found at [www.sbafla.com/bondfinance](http://www.sbafla.com/bondfinance) or by contacting the Division of Bond Finance, 1801 Hermitage Boulevard, Suite 200, Tallahassee, Florida 32308, (850) 488-4782. Additional information on long-term debt is also found in Notes 6, 8, 9, and 10 to the financial statements and the Statistical Section of this report.

### **Infrastructure Accounted for Using the Modified Approach**

The state elected to use the modified approach to account for roadways, bridges, and other infrastructure assets of the State Highway System. Under this approach, the Florida Department of Transportation (FDOT) committed to maintain these assets at levels established by FDOT and approved by the Florida Legislature. No depreciation expense is reported for these assets, nor are amounts capitalized in connection with improvements that lengthen the lives of such assets, unless the improvements also increase their service potential. FDOT maintains an inventory of these assets and performs periodic assessments to establish that predetermined condition levels are being maintained. The condition assessments performed during fiscal year 2020-21 show that the roadways and bridges of the State Highway System are being maintained at or near FDOT standards. These condition assessments were consistent with condition assessments conducted during past years. In addition, FDOT makes annual estimates of the amounts that must be expended to maintain the roadways and bridges included on the State Highway System at the predetermined condition levels. These estimates are based on the FDOT five-year plan that is revised as projects are added, deleted, adjusted, or postponed. Refer to the Other Required Supplementary Information of the ACFR for information on FDOT's established condition standards, recent condition assessments, and other information on infrastructure reported on the modified approach.

### **Economic Factors**

Largely following the national economy, economic disruption was still evident as the state's fiscal year ended June 30, 2021, but signs of improvement were widespread. General Fund tax collections came in 15.7 percent higher than the prior fiscal year, which had seen the largest year-over-year decline since the worst years of the Great Recession (the 2007-08 and 2008-09 fiscal years). The turnaround was led by a stronger than anticipated response to the back-to-back federal stimulus packages in

December 2020 and March 2021, coupled with the earlier than expected resumption of economic activity in the last quarter of the fiscal year. The state's official forecast moves notably above the pre-pandemic forecasted levels for fiscal year 2021-22 and fiscal year 2022-23 by approximately \$1.2 billion each year; however, about one-half of the annual difference is attributable to the current addition of Indian Gaming Revenues and retained online sales tax dollars which were previously not included. The annual growth rates for the General Fund are expected to go through a multiyear period of adjustment prior to stabilizing at the 3.7 percent annual growth projected for the long run.

A significant portion (52.2 percent) of the year-over-year net increase in General Fund receipts (total revenue minus refunds) came from the gain in sales tax collections. Over the past 17 years, this revenue source's share of the fund has changed from a 70.6 percent in fiscal year 2004-05 to 78.4 percent in fiscal year 2020-21, which means that even a modest increase in collections from the prior year translates into a nontrivial dollar gain. As the economy regained its footing in tandem with the vaccine becoming more available, total sales tax liability increased 10.6 percent from fiscal year 2019-20 to fiscal year 2020-21, with five of the state's six sales tax categories used for reporting purposes (consumer nondurables, autos and accessories, other durables, construction and building investment, and business investment) showing positive growth over the hard-hit prior year. This equates to a \$2.86 billion increase from the fiscal year 2019-20 level for this source, of which \$2.57 billion flowed through to the General Fund. Because the state's Revenue Estimating Conference had previously expected much of the sales tax recovery to occur in fiscal year 2021-22, the final strength of that gain to the General Fund came as a windfall of \$1.33 billion or 5.2 percent of the anticipated level for the year.

Several revenue sources continued to perform better than expected, still benefiting from government actions to provide relief and support during the first crucial stages of the pandemic. Among these sources, collections of both the documentary stamp and intangibles taxes rely predominantly on activity in the state's real estate market. To provide an important firewall between the turmoil in the economy at-large and the financial system, the Federal Reserve aggressively instituted rate cuts to near-zero percent, backstopped credit markets and created new facilities to buy corporate debt. One result was record low interest rates that set off a surge of home buying and refinancing that began in the last quarter of fiscal year 2019-20. These effects continued into the next year, with total Documentary Stamp Tax collections in fiscal year 2020-21 topping the fiscal year 2005-06 peak reached at the height of Florida's housing boom. This milestone was particularly remarkable considering the prior year (fiscal year 2019-20) registered only 70.8 percent of that level after steadily increasing for ten years from a low of 26.6 percent. Reflecting a slightly different aspect of the market, intangibles tax collections, which entirely benefit the General Fund, strengthened as refinancing activity surged in response to the low interest rates, ultimately posting a 42.3 percent gain over the prior year.

Similarly, corporate income tax collections surged 37.3 percent over the prior year. Part of the increase clearly related to the pandemic-influenced timing delay built into the prior's receipts; however, underlying profits are also up significantly as witnessed by the 37.7 percent growth since the last full pre-pandemic quarter. The precise reasons for this—and, therefore, its persistence into future years—are presently less clear. Echoing the comments included in a recent tax analysis by the Congressional Budget Office, "Those collections were more robust than the amounts implied by currently available data on the economy given the past relationship between the level of economic activity and revenues."

In addition to the revenue sources discussed above, collections of two other General Fund sources showed material growth over the prior year: insurance premium tax and corporate filing fees. Receipts for the latter were boosted as a result of the delay in payment authorized by a formal state order in the last quarter of fiscal year 2019-20. Altogether, over three-fourths of the state's General Fund sources posted gains over the prior year. Of the four sources that lost ground (severance taxes, parimutuel taxes, Article V fees and transfers, and earnings on investments), only Article V fees were directly related to the continuing effects of the pandemic. One of its principal financial inputs, foreclosure filing fees, has been suppressed by both the temporary court office closings and the moratoriums on foreclosures issued at the state and federal levels—a trend that is expected to continue through the first half of fiscal year 2021-22.

The Revenue Estimating Conference last met in August 2021 to revise the General Fund forecast for fiscal years 2021-22 and 2022-23. Through June 2021, revenue collections had gained \$2.3 billion to the Conference expectations in April 2021, with July 2021 expected to add to the overage. Because the economy was largely returning to normal, the Conference had gained confidence in adding to the prior forecast for fiscal year 2021-22 and fiscal year 2022-23, even though some areas will be backing down from heightened activity levels associated with the federal response to the pandemic. As a result, the Conference made sizeable adjustments to its prior forecast. Anticipated revenues were revised upward by \$1.4 billion in fiscal year 2021-22 and by \$1.2 billion in fiscal year 2022-23, for a two-year combined increase of \$2.6 billion. These changes reflect increases over the previous estimates of 4.0 percent in fiscal year 2021-22 and 3.2 percent in fiscal year 2022-23.

As a buffer against any financial implications associated with the continuing waves of COVID-19, particularly the Omicron variant, the latest General Revenue Outlook shows that there will be \$8 billion in unallocated general revenue remaining at the end of the current fiscal year. In addition, the state's major reserve for emergencies, the Budget Stabilization Fund, has a

planned balance of \$2.7 billion. The fund cash balance is now at the highest recorded level in its history, boosted in part by the transfer of \$1.0 billion from the legislatively closed Lawton Chiles Endowment Fund. Between the two funds, reserves total \$10.7 billion or 29.0 percent of the state's estimated General Fund tax collections for the current year (after payment of refunds). According to the state's Long-Range Financial Outlook adopted in September 2021, the state will not have a budget gap in the upcoming fiscal year (2022-23), meaning the projected revenues will meet all anticipated needs. At the time the report was adopted by the state's Legislative Budget Commission, the surplus of revenues over needs was almost \$7 billion, but 70.8 percent of this was nonrecurring dollars. The long-range analysis was adopted prior to the inclusion of an additional \$662.6 million that was first recognized as unallocated general revenue by the Revenue Estimating Conference on January 4, 2022.

**Contact the State's Financial Management**

Questions about this report or requests for additional financial information may be addressed to:

Department of Financial Services  
Bureau of Financial Reporting  
Statewide Financial Reporting Section  
200 East Gaines Street  
Tallahassee, Florida 32399-0364  
(850) 413-5511



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**FINANCIAL  
SECTION:  
BASIC FINANCIAL  
STATEMENTS**

**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**  
**(in thousands)**

|   | Primary Government         |                             |                | Component<br>Units |
|---|----------------------------|-----------------------------|----------------|--------------------|
|   | Governmental<br>Activities | Business-type<br>Activities | Totals         |                    |
| <b>ASSETS</b>   |                            |                             |                |                    |
| Cash and cash equivalents                             | \$ 67,069                  | \$ 107,672                  | \$ 174,741     | \$ 3,281,794       |
| Pooled investments with State Treasury                | 31,838,609                 | 2,173,834                   | 34,012,443     | 4,128,386          |
| Other investments                                     | 1,771,000                  | 33,320,820                  | 35,091,820     | 18,341,217         |
| Receivables, net                                      | 5,852,819                  | 2,465,877                   | 8,318,696      | 2,425,428          |
| Internal balances                                     | 222,915                    | (222,915)                   | —              | —                  |
| Due from component units/primary                      | 2,472                      | 1,068                       | 3,540          | 545,426            |
| Inventories   | 48,436                     | 10,418                      | 58,854         | 116,507            |
| Restricted cash and cash equivalents                  | —                          | 169                         | 169            | 850,412            |
| Restricted pooled investments with State Treasury     | —                          | 98,584                      | 98,584         | 484,909            |
| Restricted investments                                | —                          | 546,118                     | 546,118        | 8,641,027          |
| Advances to other entities                            | 876,240                    | —                           | 876,240        | —                  |
| Other loans and notes receivable, net                 | 2,964,200                  | 1,985,219                   | 4,949,419      | 2,423,104          |
| Other assets  | 1,264                      | 75,454                      | 76,718         | 772,718            |
| Capital assets, net                                   | 83,490,549                 | 15,927,327                  | 99,417,876     | 27,149,567         |
| Total assets  | 127,135,573                | 56,489,645                  | 183,625,218    | 69,160,495         |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                 |                            |                             |                |                    |
| Accum. decrease in fair value - hedging derivatives   | —                          | —                           | —              | 53,096             |
| Grants paid in advance                                | 39,454                     | —                           | 39,454         | 15                 |
| Amount deferred on refunding of debt                  | 73,877                     | 21,281                      | 95,158         | 52,845             |
| Pension-related items                                 | 3,625,493                  | 62,398                      | 3,687,891      | 1,720,003          |
| Other postemployment benefits                         | 1,241,274                  | 36,798                      | 1,278,072      | 973,397            |
| Asset retirement obligations                          | —                          | —                           | —              | 8,542              |
| Total deferred outflows of resources                  | 4,980,098                  | 120,477                     | 5,100,575      | 2,807,898          |
| <b>LIABILITIES</b>                                    |                            |                             |                |                    |
| Accounts payable and accrued liabilities              | 3,302,292                  | 2,182,840                   | 5,485,132      | 2,643,436          |
| Due to other governments                              | —                          | 11,083                      | 11,083         | —                  |
| Due to component units/primary                        | 136,473                    | 98                          | 136,571        | 77,911             |
| Unearned revenue                                      | 6,260,143                  | —                           | 6,260,143      | —                  |
| Obligations under security lending agreements         | 1,907,064                  | 2,214,018                   | 4,121,082      | —                  |
| Long-term liabilities                                 |                            |                             |                |                    |
| Due within one year                                   | 4,077,408                  | 4,350,008                   | 8,427,416      | 2,591,287          |
| Due in more than one year                             | 34,083,100                 | 18,037,458                  | 52,120,558     | 18,039,249         |
| Total liabilities                                     | 49,766,480                 | 26,795,505                  | 76,561,985     | 23,351,883         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                  |                            |                             |                |                    |
| Deferred service concession arrangement receipts      | —                          | 127,758                     | 127,758        | 111,594            |
| Grants received in advance                            | —                          | —                           | —              | 1,143              |
| Amount deferred on refunding of debt                  | 117,482                    | 16,347                      | 133,829        | 2,088              |
| Pension-related items                                 | 582,735                    | 10,974                      | 593,709        | 227,318            |
| Other postemployment benefits liability               | 3,713,420                  | 94,519                      | 3,807,939      | 1,407,040          |
| Irrevocable split-interest agreements                 | —                          | —                           | —              | 75,694             |
| Total deferred inflows of resources                   | 4,413,637                  | 249,598                     | 4,663,235      | 1,824,877          |
| <b>NET POSITION</b>                                   |                            |                             |                |                    |
| Net investments in capital assets                     | 77,434,619                 | 12,590,918                  | 90,025,537     | 23,040,463         |
| Restricted for  |                            |                             |                |                    |
| Natural resources, environment, and growth management | 4,577,465                  | —                           | 4,577,465      | —                  |
| Public Education                                      | 380,668                    | —                           | 380,668        | —                  |
| Health and Family Services                            | 1,985,463                  | —                           | 1,985,463      | —                  |
| Transportation  | 1,888,355                  | 285,126                     | 2,173,481      | —                  |
| Nonmajor governmental funds                           | 1,523,668                  | —                           | 1,523,668      | —                  |
| Debt service  | 32,607                     | —                           | 32,607         | 39,832             |
| Lottery   | —                          | 105,007                     | 105,007        | —                  |
| Prepaid College Program                               | —                          | 4,712,304                   | 4,712,304      | —                  |
| Hurricane Catastrophe Fund                            | —                          | 10,195,203                  | 10,195,203     | —                  |
| Reemployment Assistance                               | —                          | 1,005,981                   | 1,005,981      | —                  |
| Other   | 779,833                    | 4,216                       | 784,049        | 8,725,138          |
| Funds held for permanent endowment                    |                            |                             |                |                    |
| Expendable  | —                          | —                           | —              | 2,226,575          |
| Nonexpendable   | —                          | —                           | —              | 3,841,590          |
| Unrestricted  | (10,667,124)               | 666,264                     | (10,000,860)   | 8,918,035          |
| Total net position                                    | \$ 77,935,554              | \$ 29,565,019               | \$ 107,500,573 | \$ 46,791,633      |

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

**STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

| Functions/Programs                      | Expenses       | Program Revenues        |  |  | Net<br>(Expense)<br>Revenue |
|---|----------------|-------------------------|--|--|-----------------------------|
|   |                | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |                             |
| <b>Primary government</b>               |                |                         |  |  |                             |
| Governmental activities:                |                |                         |  |  |                             |
| General government                      | \$ 11,253,544  | \$ 5,087,572            | \$ 5,056,349                             | \$ 2,535                               | \$ (1,107,088)              |
| Education                               | 25,505,514     | 447,607                 | 5,170,984                                | —                                      | (19,886,923)                |
| Human services                          | 46,912,818     | 2,099,760               | 33,363,504                               | 8,794                                  | (11,440,760)                |
| Criminal justice and corrections        | 5,156,439      | 331,010                 | 1,367,285                                | 2,917                                  | (3,455,227)                 |
| Natural resources and environment       | 3,473,198      | 294,541                 | 1,589,887                                | 4,196                                  | (1,584,574)                 |
| Transportation                          | 4,491,160      | 198,573                 | 96,617                                   | 2,133,354                              | (2,062,616)                 |
| Judicial branch                         | 702,302        | 96,723                  | 8,323                                    | —                                      | (597,256)                   |
| Indirect interest on long-term debt     | 76,838         | —                       | —  | —                                      | (76,838)                    |
| Total governmental activities           | 97,571,813     | 8,555,786               | 46,652,949                               | 2,151,796                              | (40,211,282)                |
| Business-type activities:               |                |                         |  |  |                             |
| Transportation                          | 821,716        | 1,111,855               | —  | —                                      | 290,139                     |
| Lottery                                 | 6,861,283      | 9,061,022               | —  | —                                      | 2,199,739                   |
| Hurricane Catastrophe Fund              | 1,383,434      | 1,240,225               | —  | —                                      | (143,209)                   |
| Prepaid College Program                 | (38,945)       | 1,107,314               | —  | —                                      | 1,146,259                   |
| Reemployment Assistance                 | 21,013,137     | 1,145,159               | 18,684,257                               | —                                      | (1,183,721)                 |
| Nonmajor enterprise funds               | 419,997        | 515,831                 | 1,051                                    | 999                                    | 97,884                      |
| Total business-type activities          | 30,460,622     | 14,181,406              | 18,685,308                               | 999                                    | 2,407,091                   |
| Total primary government                | \$ 128,032,435 | \$ 22,737,192           | \$ 65,338,257                            | \$ 2,152,795                           | \$ (37,804,191)             |
| <b>Component units</b>                  |                |                         |  |  |                             |
| Florida Housing Finance Corporation     | \$ 313,872     | \$ 214,967              | \$ —                                     | \$ —                                   | \$ (98,905)                 |
| University of Florida                   | 6,738,704      | 4,668,870               | 1,160,426                                | 91,243                                 | (818,165)                   |
| Citizens Property Insurance Corporation | 894,097        | 754,520                 | —  | —                                      | (139,577)                   |
| Nonmajor component units                | 13,877,684     | 3,330,873               | 5,015,521                                | 558,361                                | (4,972,929)                 |
| Total component units                   | \$ 21,824,357  | \$ 8,969,230            | \$ 6,175,947                             | \$ 649,604                             | \$ (6,029,576)              |

|   | Primary Government         |                             |                 | Component<br>Units |
|---|----------------------------|-----------------------------|-----------------|--------------------|
|   | Governmental<br>Activities | Business-type<br>Activities | Total           |                    |
| Net (expense) revenue                               | \$ (40,211,282)            | \$ 2,407,091                | \$ (37,804,191) | \$ (6,029,576)     |
| General revenues:                                   |                            |                             |                 |                    |
| Taxes   |                            |                             |                 |                    |
| Sales and use tax                                   | 30,451,674                 | —                           | 30,451,674      | —                  |
| Fuel taxes  | 3,160,743                  | —                           | 3,160,743       | —                  |
| Corporate income tax                                | 3,153,000                  | —                           | 3,153,000       | —                  |
| Documentary stamp tax                               | 4,137,123                  | —                           | 4,137,123       | —                  |
| Intangible personal property tax                    | 708,962                    | —                           | 708,962         | —                  |
| Communications service tax                          | 901,874                    | —                           | 901,874         | —                  |
| Beverage and tobacco taxes                          | 1,438,733                  | —                           | 1,438,733       | —                  |
| Insurance premium tax                               | 1,491,830                  | —                           | 1,491,830       | —                  |
| Gross receipts utilities tax                        | 780,822                    | —                           | 780,822         | —                  |
| Property taxes                                      | —                          | —                           | —               | 507,400            |
| Other taxes   | 927,067                    | —                           | 927,067         | —                  |
| Investment earning (loss)                           | (415,279)                  | (6,989)                     | (422,268)       | 2,884,602          |
| Gain (loss) on sale of capital assets               | (14,195)                   | (2,704)                     | (16,899)        | 5,931              |
| Payments from the State of Florida                  | —                          | —                           | —               | 4,920,529          |
| Emergency assessments                               | —                          | —                           | —               | —                  |
| Miscellaneous                                       | 21,303                     | 1,092                       | 22,395          | 1,511,692          |
| Transfers   | 2,337,291                  | (2,337,291)                 | —               | —                  |
| Contributions to permanent funds                    | —                          | —                           | —               | 110,419            |
| Total general revenues, transfers and contributions | 49,080,948                 | (2,345,892)                 | 46,735,056      | 9,940,573          |
| Changes in net position                             | 8,869,666                  | 61,199                      | 8,930,865       | 3,910,997          |
| Net position - beginning, as restated (Note 1)      | 69,065,888                 | 29,503,820                  | 98,569,708      | 42,880,636         |
| Net position - ending                               | \$ 77,935,554              | \$ 29,565,019               | \$ 107,500,573  | \$ 46,791,633      |

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

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# GOVERNMENTAL FUND FINANCIAL STATEMENTS

## Major Funds

### GENERAL FUND

This fund is the State's primary operating fund. It accounts for the financial resources and transactions not accounted for in other funds.

### NATURAL RESOURCES, ENVIRONMENT, AND GROWTH MANAGEMENT

This fund accounts for operations of various programs, such as air pollution control, water quality assurance, ecosystem management, and marine resources conservation.

### PUBLIC EDUCATION

This fund includes internal reporting funds administered by the Department of Education to operate education-related programs.

### HEALTH AND FAMILY SERVICES

This fund includes internal reporting funds used to operate various health and family service-related programs, such as health care, elder affairs, and public assistance.

### TRANSPORTATION

This fund includes the internal reporting special revenue funds used to account for the administration of the maintenance and development of the State highway system and other transportation-related projects.

## Nonmajor Funds

Nonmajor governmental funds are presented, by fund type, beginning on page 205.



**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|   | General<br>Fund | Natural<br>Resources,<br>Environment, and<br>Growth<br>Management | Public<br>Education | Health and<br>Family<br>Services |
|---|-----------------|---|---------------------|----------------------------------|
| <b>ASSETS</b>   |                 |   |                     |                                  |
| <u>Current assets</u>                                 |                 |   |                     |                                  |
| Cash and cash equivalents                             | \$ 8,105        | \$ 4,358  | \$ —                | \$ 8,301                         |
| Pooled investments with State Treasury                | 19,631,409      | 2,836,975   | 1,278,940           | 1,916,250                        |
| Other investments                                     | 1,343,429       | —   | —                   | —                                |
| Receivables, net                                      | 2,504,519       | 249,723   | 1,960               | 2,128,542                        |
| Due from other funds                                  | 210,817         | 98,049  | 178,698             | 142,176                          |
| Due from component units/primary                      | 200             | 141   | 853                 | —                                |
| Inventories   | 9,541           | 708   | —                   | 27,380                           |
| Other   | 268             | —   | —                   | —                                |
| Total current assets                                  | 23,708,288      | 3,189,954   | 1,460,451           | 4,222,649                        |
| <u>Noncurrent assets</u>                              |                 |   |                     |                                  |
| Long-term investments                                 | —               | —   | —                   | —                                |
| Advances to other funds                               | 1,350           | —   | —                   | —                                |
| Advances to other entities                            | 2,665           | 1,449   | 871,081             | —                                |
| Other loans and notes receivable, net                 | 419             | 1,811,984   | 809                 | 40,648                           |
| Total noncurrent assets                               | 4,434           | 1,813,433   | 871,890             | 40,648                           |
| Total assets  | 23,712,722      | 5,003,387   | 2,332,341           | 4,263,297                        |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                 |                 |   |                     |                                  |
| Grants paid in advance                                | —               | —   | —                   | —                                |
| Total deferred outflows of resources                  | —               | —   | —                   | —                                |
| Total assets and deferred outflows                    | 23,712,722      | 5,003,387   | 2,332,341           | 4,263,297                        |
| <b>LIABILITIES</b>                                    |                 |   |                     |                                  |
| <u>Current liabilities</u>                            |                 |   |                     |                                  |
| Accounts payable and accrued liabilities              | 771,811         | 63,709  | 10,684              | 733,081                          |
| Due to other funds                                    | 527,807         | 23,085  | 3,558               | 30,907                           |
| Due to component units/primary                        | 16,198          | 106,046   | —                   | 12,079                           |
| Compensated absences                                  | 16,530          | 1,976   | 38                  | 1,381                            |
| Claims payable  | 135,381         | —   | —                   | 599,996                          |
| Deposits  | 4,403           | 90,149  | 14,095              | 1,149                            |
| Unearned revenues                                     | 6,260,143       | —   | —                   | —                                |
| Obligations under security lending agreements         | 1,602,305       | 64,070  | 43,879              | 2,898                            |
| Total current liabilities                             | 9,334,578       | 349,035   | 72,254              | 1,381,491                        |
| <u>Noncurrent liabilities</u>                         |                 |   |                     |                                  |
| Advances from other funds                             | —               | —   | 1,111,439           | —                                |
| Deposits  | —               | —   | —                   | —                                |
| Other   | —               | —   | 133                 | —                                |
| Total noncurrent liabilities                          | —               | —   | 1,111,572           | —                                |
| Total liabilities                                     | 9,334,578       | 349,035   | 1,183,826           | 1,381,491                        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                  |                 |   |                     |                                  |
| Unavailable revenue                                   | 174,046         | 1,318   | —                   | 831,225                          |
| Total deferred inflows of resources                   | 174,046         | 1,318   | —                   | 831,225                          |
| <b>FUND BALANCES</b>                                  |                 |   |                     |                                  |
| Nonspendable  | 11,130          | 708   | —                   | 27,380                           |
| Restricted  | 64,503          | 2,984,990   | 1,320,181           | 245,825                          |
| Committed   | 1,509,709       | 1,667,336   | 738,714             | 1,777,376                        |
| Unassigned  | 12,618,756      | —   | (910,380)           | —                                |
| Total fund balances                                   | 14,204,098      | 4,653,034   | 1,148,515           | 2,050,581                        |
| Total liabilities, deferred inflows and fund balances | \$ 23,712,722   | \$ 5,003,387  | \$ 2,332,341        | \$ 4,263,297                     |

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

| Transportation      | Nonmajor<br>Governmental<br>Funds | Totals 6/30/21       |
|---------------------|-----------------------------------|----------------------|
| \$ 873              | \$ 17,122                         | \$ 38,759            |
| 2,621,405           | 2,669,557                         | 30,954,536           |
| —                   | 360,905                           | 1,704,334            |
| 340,000             | 472,228                           | 5,696,972            |
| 312,705             | 130,594                           | 1,073,039            |
| —                   | 50                                | 1,244                |
| 8,230               | 2,577                             | 48,436               |
| —                   | 230                               | 498                  |
| <u>3,283,213</u>    | <u>3,653,263</u>                  | <u>39,517,818</u>    |
| —                   | 34,207                            | 34,207               |
| 132,848             | —                                 | 134,198              |
| 1,045               | —                                 | 876,240              |
| <u>462,763</u>      | <u>647,577</u>                    | <u>2,964,200</u>     |
| <u>596,656</u>      | <u>681,784</u>                    | <u>4,008,845</u>     |
| <u>3,879,869</u>    | <u>4,335,047</u>                  | <u>43,526,663</u>    |
| 39,454              | —                                 | 39,454               |
| <u>39,454</u>       | <u>—</u>                          | <u>39,454</u>        |
| <u>3,919,323</u>    | <u>4,335,047</u>                  | <u>43,566,117</u>    |
| 889,103             | 359,866                           | 2,828,254            |
| 149,459             | 250,768                           | 985,584              |
| —                   | 2,150                             | 136,473              |
| 433                 | 893                               | 21,251               |
| —                   | 19,526                            | 754,903              |
| 493,149             | 203,982                           | 806,927              |
| —                   | —                                 | 6,260,143            |
| <u>93,881</u>       | <u>67,091</u>                     | <u>1,874,124</u>     |
| <u>1,626,025</u>    | <u>904,276</u>                    | <u>13,667,659</u>    |
| 75,000              | 951                               | 1,187,390            |
| —                   | 111                               | 111                  |
| —                   | —                                 | 133                  |
| <u>75,000</u>       | <u>1,062</u>                      | <u>1,187,634</u>     |
| <u>1,701,025</u>    | <u>905,338</u>                    | <u>14,855,293</u>    |
| 329,943             | 342,745                           | 1,679,277            |
| <u>329,943</u>      | <u>342,745</u>                    | <u>1,679,277</u>     |
| 8,230               | 6,798                             | 54,246               |
| 50                  | 1,567,369                         | 6,182,918            |
| 1,880,075           | 1,512,797                         | 9,086,007            |
| —                   | —                                 | 11,708,376           |
| <u>1,888,355</u>    | <u>3,086,964</u>                  | <u>27,031,547</u>    |
| <u>\$ 3,919,323</u> | <u>\$ 4,335,047</u>               | <u>\$ 43,566,117</u> |

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

Total fund balances for governmental funds \$ 27,031,547

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities reported in governmental funds are not financial resources and therefore are not reported in the funds.

|   |             |            |
|---|-------------|------------|
| Land and other nondepreciable assets              | 20,880,361  |            |
| Nondepreciable infrastructure                     | 54,233,452  |            |
| Buildings, equipment and other depreciable assets | 7,216,536   |            |
| Accumulated depreciation                          | (4,917,126) |            |
| Construction work in progress                     | 5,163,041   |            |
|   |             | 82,576,264 |

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

|  |              |              |
|--|--------------|--------------|
| Compensated absences   | (790,696)    |              |
| Installment purchases/capital leases/public-private partnership agreements | (2,740,979)  |              |
| Claims payable   | (1,695,248)  |              |
| Bonds payable  | (12,124,411) |              |
| Certificates of participation payable                                      | (48,628)     |              |
| Pension liability  | (9,952,931)  |              |
| Other postemployment benefits  | (6,878,114)  |              |
| Due to other governments   | (340,000)    |              |
| Other  | (19,352)     |              |
|  |              | (34,590,359) |

Deferred amounts on refunding are reported in the Statement of Net Position as deferred outflows or deferred inflows of resources (to be amortized as interest expense) but are not reported in the funds. (39,482)

Deferred amounts for pension-related items are reported in the Statement of Net Position as deferred outflows or deferred inflows of resources (to be amortized as pension expense) but are not reported in the funds. 3,014,390

Deferred amounts for other postemployment items are reported in the Statement of Net Position as deferred outflows or deferred inflows of resources (to be amortized as pension expense) but are not reported in the funds. (2,439,644)

Accrued interest payable on bonds that is not recognized on the fund statements but is recognized on the Statement of Net Position. (25,243)

Assets (receivables) not available to provide current resources are offset with deferred inflows of resources in the fund statements. The reduction of the deferred inflow and recognition of revenue increases net position in the Statement of Net Position. 1,679,277

Internal service funds are used to report activities that provide goods and services to other funds or agencies within the state. Therefore, the excess of assets over liabilities of the internal service funds are included as governmental activities on the Statement of Net Position. 728,804

Net position of governmental activities \$ 77,935,554

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

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**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|   | General Fund  | Natural Resources, Environment, and Growth Management | Public Education | Health and Family Services |
|---|---------------|---|------------------|----------------------------|
| <b>REVENUES</b>                                   |               |   |                  |                            |
| Taxes   | \$ 41,873,817 | \$ 286,072  | \$ 1,110,208     | \$ 721,223                 |
| Licenses and permits                              | 272,136       | 59,136  | 1,416            | 37,562                     |
| Fees and charges                                  | 1,629,633     | 161,340   | 75,988           | 1,348,528                  |
| Grants and donations                              | 3,068,898     | 227,886   | 3,986,456        | 33,428,991                 |
| Investment earnings (losses)                      | (398,287)     | (16,117)  | (126,940)        | 1,296                      |
| Fines, forfeits, settlements and judgments        | 526,221       | 4,531   | 204,459          | 42,896                     |
| Other   | 16,770        | 2,954   | 150,976          | 663,469                    |
| Total revenues                                    | 46,989,188    | 725,802   | 5,402,563        | 36,243,965                 |
| <b>EXPENDITURES</b>                               |               |   |                  |                            |
| Current:  |               |   |                  |                            |
| General government                                | 4,241,011     | 14,204  | —                | 152,575                    |
| Education   | 18,113,925    | —   | 6,934,970        | —                          |
| Human services                                    | 9,728,416     | —   | —                | 36,550,984                 |
| Criminal justice and corrections                  | 3,981,348     | —   | —                | —                          |
| Natural resources and environment                 | 585,437       | 1,303,543   | —                | —                          |
| Transportation                                    | —             | —   | —                | —                          |
| Judicial branch                                   | 479,173       | —   | —                | —                          |
| Capital outlay                                    | 125,822       | 145,856   | 32               | 18,583                     |
| Debt service:                                     |               |   |                  |                            |
| Principal retirement                              | 19,732        | —   | —                | —                          |
| Interest and fiscal charges                       | 3,099         | —   | 46               | —                          |
| Total expenditures                                | 37,277,963    | 1,463,603   | 6,935,048        | 36,722,142                 |
| Excess (deficiency) of revenues over expenditures | 9,711,225     | (737,801)   | (1,532,485)      | (478,177)                  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |               |   |                  |                            |
| Proceeds of bond issues                           | 3,398         | —   | 310,554          | —                          |
| Proceeds of refunding bonds                       | 49            | —   | —                | —                          |
| Proceeds of financing agreements                  | 5,296         | —   | —                | —                          |
| Operating transfers in                            | 892,979       | 1,498,423   | 2,759,067        | 1,639,268                  |
| Operating transfers out                           | (5,164,155)   | (352,465)   | (1,150,445)      | (933,705)                  |
| Payments to refunded bond agent                   | (49)          | —   | —                | —                          |
| Total other financing sources (uses)              | (4,262,482)   | 1,145,958   | 1,919,176        | 705,563                    |
| Net change in fund balances                       | 5,448,743     | 408,157   | 386,691          | 227,386                    |
| Fund balances - beginning, as restated (Note 1)   | 8,755,355     | 4,244,877   | 761,824          | 1,823,195                  |
| Fund balances - ending                            | \$ 14,204,098 | \$ 4,653,034  | \$ 1,148,515     | \$ 2,050,581               |

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

| Transportation      | Nonmajor<br>Governmental<br>Funds | Totals<br>6/30/21    |
|---------------------|-----------------------------------|----------------------|
| \$ 2,873,845        | \$ 260,144                        | \$ 47,125,309        |
| 14,914              | 1,856,846                         | 2,242,010            |
| 367,592             | 734,504                           | 4,317,585            |
| 2,258,567           | 5,733,151                         | 48,703,949           |
| (47,931)            | 104,778                           | (483,201)            |
| 2,535               | 547,235                           | 1,327,877            |
| 24,464              | 81,899                            | 940,532              |
| <u>5,493,986</u>    | <u>9,318,557</u>                  | <u>104,174,061</u>   |
| 197,415             | 6,354,657                         | 10,959,862           |
| —                   | 191,907                           | 25,240,802           |
| —                   | 515,871                           | 46,795,271           |
| —                   | 563,711                           | 4,545,059            |
| —                   | 1,442,441                         | 3,331,421            |
| 4,356,141           | 160                               | 4,356,301            |
| —                   | 91,298                            | 570,471              |
| 2,361,475           | 90,676                            | 2,742,444            |
| 325,187             | 1,190,101                         | 1,535,020            |
| 74,333              | 498,642                           | 576,120              |
| <u>7,314,551</u>    | <u>10,939,464</u>                 | <u>100,652,771</u>   |
| <u>(1,820,565)</u>  | <u>(1,620,907)</u>                | <u>3,521,290</u>     |
| 352,000             | 220,177                           | 886,129              |
| —                   | 1,652,077                         | 1,652,126            |
| 266,878             | 735                               | 272,909              |
| 2,301,171           | 4,629,244                         | 13,720,152           |
| (834,166)           | (2,910,022)                       | (11,344,958)         |
| —                   | (1,652,077)                       | (1,652,126)          |
| <u>2,085,883</u>    | <u>1,940,134</u>                  | <u>3,534,232</u>     |
| 265,318             | 319,227                           | 7,055,522            |
| 1,623,037           | 2,767,737                         | 19,976,025           |
| <u>\$ 1,888,355</u> | <u>\$ 3,086,964</u>               | <u>\$ 27,031,547</u> |



**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

(in thousands)

Net change in fund balance - total governmental funds \$ 7,055,522

Internal service funds are used by management to charge the costs of goods or services to other funds and agencies within the state. Therefore, the net revenue (expense) of the internal service funds is reported with governmental activities. (10,609)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over the estimated useful lives of the assets and reported as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation in the current period.

|                              |           |           |
|------------------------------|-----------|-----------|
| Capital outlay expenditures  | 2,742,444 |           |
| Capital asset transfers, net | (25,464)  |           |
| Depreciation expense         | (278,803) |           |
|                              | 2,438,177 | 2,438,177 |

In the Statement of Activities, the gain or (loss) on the sale of assets is reported whereas in the governmental funds only the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of the assets sold. (19,217)

In the Statement of Activities, some revenues are recognized that do not provide current financial resources and are not recognized as revenues in the governmental funds until available, i.e., deferred inflows of resources, unavailable revenue. (72,790)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

|   |             |             |
|---|-------------|-------------|
| Increase in compensated absences          | (46,969)    |             |
| Decrease in accrued interest              | 3,905       |             |
| Decrease in claims payable                | 55,782      |             |
| Increase in other postemployment benefits | (80,194)    |             |
| Increase in net pension related items     | (999,709)   |             |
| Decrease in due to other governments      | (18,529)    |             |
| Increase in other liabilities             | (1,860)     |             |
|   | (1,087,574) | (1,087,574) |

The incurrence of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayments of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, deferred amounts on refundings when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities.

|  |             |         |
|--|-------------|---------|
| Bond proceeds  | (886,129)   |         |
| Refunding bond proceeds                                    | (1,652,126) |         |
| Financing agreement proceeds                               | (272,909)   |         |
| Repayment of bonds   | 1,070,438   |         |
| Repayment of capital leases/installment purchase contracts | 464,583     |         |
| Payment to refunded bond escrow agent                      | 1,652,126   |         |
| Amortization of bond premium                               | 193,593     |         |
| Amortization of amount deferred on refunding of debt       | (5,008)     |         |
| Accrued interest payable at refunding                      | 1,589       |         |
|  | 566,157     | 566,157 |

Change in net position of governmental activities \$ 8,869,666

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

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## **PROPRIETARY FUND FINANCIAL STATEMENTS**

### **Major Funds**

#### **TRANSPORTATION**

This fund primarily accounts for operations of the Florida Turnpike Enterprise which includes the Florida Turnpike System.

#### **LOTTERY**

This fund accounts for state lottery operations, which include sale of lottery tickets, payment of lottery prizes, and transfers to the Education Enhancement Trust Fund.

#### **FLORIDA HURRICANE CATASTROPHE FUND**

This fund, administered by the State Board of Administration, is used to help cover insurers' losses in the event of a hurricane disaster.

#### **PREPAID COLLEGE PROGRAM**

This fund, administered by the State Board of Administration, is used to account for payments from purchasers of the Florida Prepaid College Program, a blended component unit. This program was created to provide a medium through which the cost of state post-secondary education may be paid in advance of enrollment at a rate lower than the projected corresponding costs at the time of enrollment.

#### **REEMPLOYMENT ASSISTANCE**

This fund accounts for the receipt of monies for and payment of unemployment compensation benefits.

### **Nonmajor Funds**

Nonmajor enterprise funds are presented on page 245.

### **Internal Service Funds**

Internal service funds are presented on page 251.

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2021 STATE OF FLORIDA ACFR

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2021  
 (in thousands)

|  | Transportation | Lottery   | Hurricane Catastrophe Fund | Prepaid College Program | Reemployment Assistance |
|--|----------------|-----------|----------------------------|-------------------------|-------------------------|
| <b>ASSETS</b>                                      |                |           |                            |                         |                         |
| <u>Current assets</u>                              |                |           |                            |                         |                         |
| Cash and cash equivalents                          | \$ 1,634       | \$ 265    | \$ —                       | \$ 72,168               | \$ 46                   |
| Pooled investments with State Treasury             | 579,056        | 409,557   | —                          | —                       | 769,197                 |
| Other investments                                  | 90,892         | —         | 4,541,017                  | 2,806,521               | —                       |
| Receivables, net                                   | 8,890          | 29,535    | 433,344                    | 1,054,033               | 747,309                 |
| Due from other funds                               | 245,293        | 7         | —                          | 98                      | 2,103                   |
| Due from component units/primary                   | —              | —         | —                          | —                       | 970                     |
| Inventories  | 7,974          | 2,443     | —                          | —                       | —                       |
| Other  | 24,998         | 2,725     | 2                          | 1,220                   | —                       |
| Total current assets                               | 958,737        | 444,532   | 4,974,363                  | 3,934,040               | 1,519,625               |
| <u>Noncurrent assets</u>                           |                |           |                            |                         |                         |
| Restricted cash and cash equivalents               | 169            | —         | —                          | —                       | —                       |
| Restricted pooled investments with State Treasury  | 66,189         | 32,395    | —                          | —                       | —                       |
| Restricted investments                             | 254,191        | 291,927   | —                          | —                       | —                       |
| Long-term investments                              | —              | —         | 12,228,528                 | 13,578,378              | —                       |
| Advances to other funds                            | 75,000         | —         | —                          | —                       | —                       |
| Other loans and notes receivable, net              | 72,861         | —         | —                          | 1,909,270               | —                       |
| <u>Capital assets</u>                              |                |           |                            |                         |                         |
| Land and other non-depreciable assets              | 1,265,369      | 4,516     | —                          | —                       | —                       |
| Non-depreciable infrastructure                     | 11,585,803     | —         | —                          | —                       | —                       |
| Buildings, equipment, and other depreciable assets | 1,598,622      | 13,027    | 123                        | 138                     | —                       |
| Accumulated depreciation                           | (639,155)      | (9,979)   | (74)                       | (97)                    | —                       |
| Construction work in progress                      | 1,861,279      | —         | —                          | 431                     | —                       |
| Other  | —              | 32,278    | —                          | —                       | —                       |
| Total noncurrent assets                            | 16,140,328     | 364,164   | 12,228,577                 | 15,488,120              | —                       |
| Total assets                                       | 17,099,065     | 808,696   | 17,202,940                 | 19,422,160              | 1,519,625               |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |                |           |                            |                         |                         |
| Amount deferred on refunding of debt               | 21,281         | —         | —                          | —                       | —                       |
| Pension-related items                              | —              | 9,865     | 756                        | 1,483                   | —                       |
| Other postemployment benefits                      | —              | 4,718     | 105                        | 104                     | —                       |
| Total deferred outflows of resources               | 21,281         | 14,583    | 861                        | 1,587                   | —                       |
| <b>LIABILITIES</b>                                 |                |           |                            |                         |                         |
| <u>Current liabilities</u>                         |                |           |                            |                         |                         |
| Accounts payable and accrued liabilities           | 73,759         | 14,199    | 289,146                    | 1,210,556               | 497,978                 |
| Accrued prize liability                            | —              | 328,966   | —                          | —                       | —                       |
| Due to other governments                           | —              | —         | —                          | —                       | 11,082                  |
| Due to other funds                                 | 153,148        | 107,749   | 299                        | 45,901                  | 4,584                   |
| Due to component units/primary                     | —              | —         | —                          | —                       | —                       |
| Compensated absences                               | —              | 790       | 70                         | 91                      | —                       |
| Installment purchases/capital leases               | 1,624          | —         | —                          | —                       | —                       |
| Bonds payable                                      | —              | —         | 650,000                    | —                       | —                       |
| Bonds payable from restricted assets               | 140,855        | —         | —                          | —                       | —                       |
| Deposits   | 105,072        | —         | —                          | —                       | —                       |
| Claims payable                                     | —              | —         | 2,566,223                  | —                       | —                       |
| Obligations under security lending agreements      | 29,559         | 20,645    | —                          | 2,147,909               | —                       |
| Certificates of participation payable              | —              | —         | —                          | —                       | —                       |
| Tuition and housing benefits payable               | —              | —         | —                          | 521,466                 | —                       |
| Pension liability                                  | —              | 68        | 5                          | 7                       | —                       |
| Other postemployment benefits                      | —              | 439       | 7                          | 7                       | —                       |
| Total current liabilities                          | 504,017        | 472,856   | 3,505,750                  | 3,925,937               | 513,644                 |
| <u>Noncurrent liabilities</u>                      |                |           |                            |                         |                         |
| Advances from other funds                          | 132,747        | —         | —                          | —                       | —                       |
| Accrued prize liability                            | —              | 224,566   | —                          | —                       | —                       |
| Bonds payable                                      | 2,756,190      | —         | 3,500,000                  | —                       | —                       |
| Certificates of participation payable              | —              | —         | —                          | —                       | —                       |
| Installment purchases/capital leases               | 210,508        | —         | —                          | —                       | —                       |
| Deposits   | 203            | —         | —                          | —                       | —                       |
| Compensated absences                               | —              | 2,902     | 202                        | 495                     | —                       |
| Tuition and housing benefits payable               | —              | —         | —                          | 10,780,577              | —                       |
| Pension liability                                  | —              | 27,762    | 1,963                      | 3,246                   | —                       |
| Other postemployment benefits liability            | —              | 26,637    | 405                        | 405                     | —                       |
| Other  | —              | —         | —                          | —                       | —                       |
| Total noncurrent liabilities                       | 3,099,648      | 281,867   | 3,502,570                  | 10,784,723              | —                       |
| Total liabilities                                  | 3,603,665      | 754,723   | 7,008,320                  | 14,710,660              | 513,644                 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |                |           |                            |                         |                         |
| Deferred service concession arrangement receipts   | 127,758        | —         | —                          | —                       | —                       |
| Amount deferred on refunding of debt               | 16,347         | —         | —                          | —                       | —                       |
| Pension-related items                              | —              | 2,367     | 49                         | 44                      | —                       |
| Other postemployment benefits                      | —              | 14,651    | 180                        | 267                     | —                       |
| Total deferred inflows of resources                | 144,105        | 17,018    | 229                        | 311                     | —                       |
| <b>NET POSITION</b>                                |                |           |                            |                         |                         |
| Net investment in capital assets                   | 12,466,785     | 7,564     | 49                         | 472                     | —                       |
| Restricted for Reemployment Assistance             | —              | —         | —                          | —                       | 1,005,981               |
| Restricted for Lottery                             | —              | 105,007   | —                          | —                       | —                       |
| Restricted for Hurricane Catastrophe Fund          | —              | —         | 10,195,203                 | —                       | —                       |
| Restricted for Prepaid College Program             | —              | —         | —                          | 4,712,304               | —                       |
| Restricted for Transportation                      | 285,126        | —         | —                          | —                       | —                       |
| Restricted - other                                 | —              | —         | —                          | —                       | —                       |
| Unrestricted                                       | 620,665        | (61,033)  | —                          | —                       | —                       |
| Total net position                                 | \$ 13,372,576  | \$ 51,538 | \$ 10,195,252              | \$ 4,712,776            | \$ 1,005,981            |

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

2021 STATE OF FLORIDA ACFR

| Nonmajor Enterprise Funds | Totals 6/30/21 | Internal Service Funds |
|---------------------------|----------------|------------------------|
| \$ 33,559                 | \$ 107,672     | \$ 28,310              |
| 416,024                   | 2,173,834      | 884,073                |
| 13,114                    | 7,451,544      | 32,459                 |
| 40,815                    | 2,313,926      | 43,158                 |
| 13,009                    | 260,510        | 18,212                 |
| 98                        | 1,068          | 1,228                  |
| 1                         | 10,418         | —                      |
| 1,775                     | 30,720         | —                      |
| 518,395                   | 12,349,692     | 1,007,440              |
| —                         | 169            | —                      |
| —                         | 98,584         | —                      |
| —                         | 546,118        | —                      |
| 62,370                    | 25,869,276     | —                      |
| —                         | 75,000         | —                      |
| 3,088                     | 1,985,219      | —                      |
| —                         | 1,269,885      | 314                    |
| —                         | 11,585,803     | —                      |
| 337,092                   | 1,949,002      | 1,582,141              |
| (90,710)                  | (740,015)      | (689,780)              |
| 942                       | 1,862,652      | 21,610                 |
| 12,454                    | 44,732         | —                      |
| 325,236                   | 44,546,425     | 914,285                |
| 843,631                   | 56,896,117     | 1,921,725              |
| —                         | 21,281         | 3,040                  |
| 50,294                    | 62,398         | 43,658                 |
| 31,871                    | 36,798         | 27,023                 |
| 82,165                    | 120,477        | 73,721                 |
| 48,215                    | 2,133,853      | 241,186                |
| —                         | 328,966        | —                      |
| 1                         | 11,083         | —                      |
| 11,031                    | 322,712        | 35,454                 |
| 98                        | 98             | —                      |
| 6,150                     | 7,101          | 1,894                  |
| 1,060                     | 2,684          | 979                    |
| —                         | 650,000        | 13,510                 |
| —                         | 140,855        | —                      |
| 24,121                    | 129,193        | 230,018                |
| —                         | 2,566,223      | —                      |
| 15,905                    | 2,214,018      | 32,940                 |
| —                         | —              | 28,515                 |
| —                         | 521,466        | —                      |
| 440                       | 520            | 211                    |
| 2,547                     | 3,000          | 1,291                  |
| 109,568                   | 9,031,772      | 585,998                |
| —                         | 132,747        | 500                    |
| —                         | 224,566        | —                      |
| —                         | 6,256,190      | 142,170                |
| —                         | —              | 258,175                |
| 6,522                     | 217,030        | 2,241                  |
| 165,374                   | 165,577        | —                      |
| 18,377                    | 21,976         | 7,181                  |
| —                         | 10,780,577     | —                      |
| 146,198                   | 179,169        | 111,030                |
| 154,427                   | 181,874        | 78,270                 |
| 10,499                    | 10,499         | —                      |
| 501,397                   | 18,170,205     | 599,567                |
| 610,965                   | 27,201,977     | 1,185,565              |
| —                         | 127,758        | —                      |
| —                         | 16,347         | 6,260                  |
| 8,514                     | 10,974         | 15,291                 |
| 79,421                    | 94,519         | 59,526                 |
| 87,935                    | 249,598        | 81,077                 |
| 116,048                   | 12,590,918     | 468,695                |
| —                         | 1,005,981      | —                      |
| —                         | 105,007        | —                      |
| —                         | 10,195,203     | —                      |
| —                         | 4,712,304      | —                      |
| —                         | 285,126        | —                      |
| 4,216                     | 4,216          | 43,494                 |
| 106,632                   | 666,264        | 216,615                |
| \$ 226,896                | \$ 29,565,019  | \$ 728,804             |

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|   | Transportation | Lottery      | Hurricane<br>Catastrophe<br>Fund | Prepaid College<br>Program |
|---|----------------|--------------|----------------------------------|----------------------------|
| <b>OPERATING REVENUES</b>                                 |                |              |                                  |                            |
| Sales - nonstate  | \$ 8,623       | \$ 9,082,375 | \$ 1,205,944                     | \$ 405,471                 |
| Change in actuarial value<br>of contract premiums         | —              | —            | —                                | 112,101                    |
| Fees  | 1,108,849      | —            | —                                | 998                        |
| Sales - state   | —              | —            | 43                               | 225                        |
| Rents and royalties - nonstate                            | 10,597         | 565          | —                                | —                          |
| Rents - state   | —              | —            | —                                | —                          |
| Fines, forfeits, settlements and judgments                | 111            | 105          | —                                | —                          |
| Other   | —              | —            | —                                | —                          |
| Total operating revenues                                  | 1,128,180      | 9,083,045    | 1,205,987                        | 518,795                    |
| <b>OPERATING EXPENSES</b>                                 |                |              |                                  |                            |
| Benefit payments  | —              | —            | —                                | —                          |
| Payment of lottery winnings                               | —              | 6,135,198    | —                                | —                          |
| Commissions on lottery sales                              | —              | 509,861      | —                                | —                          |
| Contractual services                                      | 570,442        | 165,705      | 4,594                            | 394,261                    |
| Change in actuarial value<br>of contract benefit payments | —              | —            | 1,300,000                        | (454,969)                  |
| Insurance claims expense                                  | —              | —            | —                                | —                          |
| Personal services   | 26,828         | 32,015       | 2,046                            | 3,131                      |
| Depreciation  | 100,633        | 380          | 15                               | 24                         |
| Materials and supplies                                    | 14,316         | 1,590        | 16                               | 33                         |
| Repairs and maintenance                                   | —              | 383          | —                                | —                          |
| Basic services  | —              | 4,835        | 118                              | 177                        |
| Interest and fiscal charges                               | —              | —            | —                                | 22                         |
| Total operating expenses                                  | 712,219        | 6,849,967    | 1,306,789                        | (57,321)                   |
| Operating income (loss)                                   | 415,961        | 2,233,078    | (100,802)                        | 576,116                    |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                   |                |              |                                  |                            |
| Grants and donations                                      | —              | —            | —                                | —                          |
| Investment earnings (losses)                              | (18,604)       | (22,022)     | 34,239                           | 588,519                    |
| Interest and fiscal charges                               | (109,555)      | (11,317)     | (76,647)                         | (10,469)                   |
| Fines, forfeits, judgments and settlements                | 861            | —            | 150                              | 81                         |
| Property disposition gain (loss)                          | (2,789)        | (50)         | —                                | —                          |
| Grant expense and client benefits                         | —              | —            | —                                | —                          |
| Other   | —              | —            | —                                | —                          |
| Total nonoperating revenues (expenses)                    | (130,087)      | (33,389)     | (42,258)                         | 578,131                    |
| Income (loss) before transfers<br>and contributions       | 285,874        | 2,199,689    | (143,060)                        | 1,154,247                  |
| Operating transfers in                                    | 117,968        | 7            | —                                | —                          |
| Operating transfers out                                   | (63,383)       | (2,236,801)  | (13,500)                         | (7,907)                    |
| Capital contributions                                     | 25,465         | —            | —                                | —                          |
| Change in net position                                    | 365,924        | (37,105)     | (156,560)                        | 1,146,340                  |
| Total net position - beginning, as restated (Note 1)      | 13,006,652     | 88,643       | 10,351,812                       | 3,566,436                  |
| Total net position - ending                               | \$ 13,372,576  | \$ 51,538    | \$ 10,195,252                    | \$ 4,712,776               |

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

2021 STATE OF FLORIDA ACFR

| Reemployment Assistance | Nonmajor Enterprise Funds | Totals 6/30/21 | Internal Service Funds |
|-------------------------|---------------------------|----------------|------------------------|
| \$ —                    | \$ 104,873                | \$ 10,807,286  | \$ 45,114              |
| —                       | —                         | 112,101        | —                      |
| 1,097,153               | 282,633                   | 2,489,633      | —                      |
| —                       | 46,832                    | 47,100         | 2,779,162              |
| —                       | —                         | 11,162         | —                      |
| —                       | 53                        | 53             | 141,261                |
| —                       | 7,383                     | 7,599          | 15                     |
| —                       | 57,575                    | 57,575         | 18,299                 |
| 1,097,153               | 499,349                   | 13,532,509     | 2,983,851              |
| 20,982,949              | —                         | 20,982,949     | —                      |
| —                       | —                         | 6,135,198      | —                      |
| —                       | —                         | 509,861        | —                      |
| —                       | 137,159                   | 1,272,161      | 607,817                |
| —                       | —                         | 845,031        | —                      |
| —                       | —                         | —              | 2,181,125              |
| —                       | 225,349                   | 289,369        | 129,134                |
| —                       | 13,730                    | 114,782        | 34,960                 |
| —                       | 4,992                     | 20,947         | 2,935                  |
| —                       | 1,893                     | 2,276          | 1,969                  |
| —                       | 29,976                    | 35,106         | 7,768                  |
| —                       | 2,671                     | 2,693          | 1                      |
| 20,982,949              | 415,770                   | 30,210,373     | 2,965,709              |
| (19,885,796)            | 83,579                    | (16,677,864)   | 18,142                 |
| 18,684,257              | 2,050                     | 18,686,307     | 2,199                  |
| 40,130                  | (7,781)                   | 614,481        | (16,684)               |
| —                       | (1,255)                   | (209,243)      | (10,726)               |
| —                       | —                         | 1,092          | —                      |
| —                       | 135                       | (2,704)        | (4,314)                |
| —                       | (1,367)                   | (1,367)        | —                      |
| (22,327)                | (1,590)                   | (23,917)       | —                      |
| 18,702,060              | (9,808)                   | 19,064,649     | (29,525)               |
| (1,183,736)             | 73,771                    | 2,386,785      | (11,383)               |
| 9,740                   | 26,347                    | 154,062        | 22,171                 |
| (72,217)                | (111,305)                 | (2,505,113)    | (21,477)               |
| —                       | —                         | 25,465         | 80                     |
| (1,246,213)             | (11,187)                  | 61,199         | (10,609)               |
| 2,252,194               | 238,083                   | 29,503,820     | 739,413                |
| \$ 1,005,981            | \$ 226,896                | \$ 29,565,019  | \$ 728,804             |



**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Transportation | Lottery      | Hurricane<br>Catastrophe<br>Fund |
|--|----------------|--------------|----------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                  |                |              |                                  |
| Cash received from customers   | \$ 1,126,216   | \$ 9,129,780 | \$ 1,211,474                     |
| Cash paid to vendors   | (686,926)      | (681,781)    | (4,758)                          |
| Cash paid to employees   | (26,828)       | (28,882)     | (1,834)                          |
| Cash received/(paid) for grants  | —              | —            | —                                |
| Lottery prizes   | —              | (6,111,563)  | —                                |
| Cash paid for insurance claims   | —              | —            | (1,417,259)                      |
| Reemployment assistance  | —              | —            | —                                |
| Net cash provided (used) by operating activities                             | 412,462        | 2,307,554    | (212,377)                        |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING<br/>ACTIVITIES</b>                   |                |              |                                  |
| Transfers in (out)   | 54,808         | (2,256,299)  | (13,500)                         |
| Advances from or repayment from other funds                                  | 10,357         | —            | —                                |
| Advances, grants or loans (to) from or repayment from others                 | (73,149)       | —            | —                                |
| Cash received from sale of bonds   | —              | —            | 3,491,639                        |
| Payment of bonds or loans (principal and interest)                           | —              | —            | (1,049,535)                      |
| Cash received from noncapital grants or donations                            | —              | —            | —                                |
| Net cash provided (used) by noncapital<br>financing activities               | (7,984)        | (2,256,299)  | 2,428,604                        |
| <b>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</b>          |                |              |                                  |
| Cash received from sale or lease of capital assets                           | —              | —            | —                                |
| Cash received from the issuance of debt                                      | 190,386        | —            | —                                |
| Cash received from capital grants and donations                              | —              | —            | —                                |
| Payment of bond principal  | (140,885)      | —            | —                                |
| Payment of principal on installment purchase/capital lease                   | —              | —            | —                                |
| Payment of interest on bonds/installment purchase/capital lease              | (133,008)      | —            | —                                |
| Purchase or construction of capital assets                                   | (710,177)      | (721)        | (7)                              |
| Line of credit draws/(payments)  | —              | —            | —                                |
| Net cash provided (used) by capital and<br>related financing activities      | (793,684)      | (721)        | (7)                              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                  |                |              |                                  |
| Security lending   | (30,134)       | 20,645       | —                                |
| Proceeds from the sale or maturity of investments                            | 3,387,087      | 22,615       | 30,961,570                       |
| Cash paid to grand prize winners upon maturity of<br>grand prize investments | —              | (22,615)     | —                                |
| Investment earnings  | (17,207)       | (8,706)      | 188,336                          |
| Purchase of investments  | (3,393,459)    | (22,230)     | (33,366,126)                     |
| Net cash provided (used) by investing activities                             | (53,713)       | (10,291)     | (2,216,220)                      |
| Net increase (decrease) in cash and cash equivalents                         | (442,919)      | 40,243       | —                                |
| Cash and cash equivalents - beginning  | 1,089,967      | 401,974      | —                                |
| Cash and cash equivalents - ending   | \$ 647,048     | \$ 442,217   | \$ —                             |

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

| Prepaid College Program | Reemployment Assistance | Nonmajor Enterprise Funds | Totals 6/30/21 | Internal Service Funds |
|-------------------------|-------------------------|---------------------------|----------------|------------------------|
| \$ 549,200              | \$ 1,018,160            | \$ 448,372                | \$ 13,483,202  | \$ 3,041,343           |
| (589,174)               | —                       | (177,614)                 | (2,140,253)    | (640,823)              |
| (2,573)                 | —                       | (198,829)                 | (258,946)      | (118,903)              |
| —                       | —                       | 46,630                    | 46,630         | (256)                  |
| —                       | —                       | —                         | (6,111,563)    | —                      |
| —                       | 1                       | —                         | (1,417,258)    | (2,140,548)            |
| —                       | (21,277,472)            | —                         | (21,277,472)   | —                      |
| (42,547)                | (20,259,311)            | 118,559                   | (17,675,660)   | 140,813                |
| (7,907)                 | (62,477)                | (86,261)                  | (2,371,636)    | 28,068                 |
| —                       | —                       | —                         | 10,357         | —                      |
| —                       | —                       | —                         | (73,149)       | —                      |
| —                       | —                       | —                         | 3,491,639      | —                      |
| —                       | —                       | —                         | (1,049,535)    | —                      |
| —                       | 18,684,257              | 728                       | 18,684,985     | 1,156                  |
| (7,907)                 | 18,621,780              | (85,533)                  | 18,692,661     | 29,224                 |
| —                       | —                       | 191                       | 191            | 1                      |
| —                       | —                       | 138                       | 190,524        | —                      |
| —                       | —                       | 999                       | 999            | —                      |
| —                       | —                       | —                         | (140,885)      | (52,799)               |
| —                       | —                       | —                         | —              | (5,141)                |
| —                       | —                       | (773)                     | (133,781)      | (7,226)                |
| (9)                     | —                       | (2,057)                   | (712,971)      | (2,733)                |
| —                       | —                       | —                         | —              | —                      |
| (9)                     | —                       | (1,502)                   | (795,923)      | (67,898)               |
| 6,798                   | —                       | (2,695)                   | (5,386)        | (4,197)                |
| 18,002,990              | —                       | 78,958                    | 52,453,220     | —                      |
| —                       | —                       | —                         | (22,615)       | —                      |
| 168,948                 | 40,130                  | (8,022)                   | 363,479        | (16,937)               |
| (18,066,591)            | —                       | (80,880)                  | (54,929,286)   | —                      |
| 112,145                 | 40,130                  | (12,639)                  | (2,140,588)    | (21,134)               |
| 61,682                  | (1,597,401)             | 18,885                    | (1,919,510)    | 81,005                 |
| 10,486                  | 2,366,644               | 430,698                   | 4,299,769      | 831,378                |
| \$ 72,168               | \$ 769,243              | \$ 449,583                | \$ 2,380,259   | \$ 912,383             |

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**  
**Reconciliation of operating income (loss) to net cash**  
**provided (used) by operating activities**

|   | Transportation    | Lottery             | Hurricane<br>Catastrophe<br>Fund |
|---|-------------------|---------------------|----------------------------------|
| Operating income (loss)   | \$ 415,961        | \$ 2,233,078        | \$ (100,802)                     |
| Adjustment to reconcile operating income (loss) to<br>net cash provided (used) by operating activities: |                   |                     |                                  |
| Depreciation and amortization expense   | 100,633           | 380                 | 15                               |
| Changes in assets and liabilities:  |                   |                     |                                  |
| (Increase) decrease in accounts receivable  | 4,126             | 46,489              | 5,526                            |
| (Increase) decrease in due from other funds   | (82,972)          | —                   | —                                |
| Increase (decrease) in allowance for uncollectibles   | —                 | 235                 | —                                |
| (Increase) decrease in inventories  | 970               | 405                 | —                                |
| (Increase) decrease in future contract premiums and other receivables                                   | —                 | —                   | —                                |
| (Increase) decrease in other noncurrent assets  | —                 | 1,903               | —                                |
| Increase (decrease) in accounts payable   | (19,607)          | 705                 | (55)                             |
| Increase (decrease) in compensated absences   | —                 | 202                 | (37)                             |
| Increase (decrease) in due to other funds   | 18,509            | —                   | —                                |
| Increase (decrease) in tuition and housing benefits payable   | —                 | —                   | —                                |
| Increase (decrease) in other noncurrent liability   | —                 | —                   | —                                |
| (Increase) decrease in deposits and prepaid items   | (25,000)          | (505)               | (2)                              |
| Increase (decrease) in unearned revenue   | (158)             | —                   | —                                |
| Increase (decrease) in prize liability  | —                 | 21,732              | —                                |
| Increase (decrease) in pension liability and deferrals  | —                 | 2,678               | 228                              |
| Increase (decrease) in OPEB liability and deferrals   | —                 | 252                 | 19                               |
| Increase (decrease) in claims payable   | —                 | —                   | (117,269)                        |
| Net cash provided (used) by operating activities  | <u>\$ 412,462</u> | <u>\$ 2,307,554</u> | <u>\$ (212,377)</u>              |
| <b>Noncash investing, capital, and financing activities</b>   |                   |                     |                                  |
| Change in fair value of investments   | \$ —              | \$ 30,731           | \$ (246,368)                     |
| Other noncash items   | —                 | —                   | —                                |

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

| Prepaid College Program | Reemployment Assistance | Nonmajor Enterprise Funds | Totals 6/30/21         | Internal Service Funds |
|-------------------------|-------------------------|---------------------------|------------------------|------------------------|
| \$ 576,116              | \$ (19,885,796)         | \$ 83,579                 | \$ (16,677,864)        | \$ 18,142              |
| 24                      | —                       | 13,730                    | 114,782                | 34,960                 |
| (9,934)                 | (85,716)                | (4,044)                   | (43,553)               | 45,988                 |
| 286                     | —                       | (10,828)                  | (93,514)               | 2,060                  |
| —                       | 6,724                   | 4,708                     | 11,667                 | (682)                  |
| —                       | —                       | —                         | 1,375                  | —                      |
| (100,800)               | —                       | —                         | (100,800)              | —                      |
| —                       | —                       | (7,959)                   | (6,056)                | —                      |
| (69,245)                | (294,523)               | 6,540                     | (376,185)              | 20,616                 |
| 114                     | —                       | 2,532                     | 2,811                  | (2,920)                |
| 16,615                  | —                       | 1,933                     | 37,057                 | (72)                   |
| (454,969)               | —                       | —                         | (454,969)              | —                      |
| —                       | —                       | 7,947                     | 7,947                  | —                      |
| (1,219)                 | —                       | (410)                     | (27,136)               | —                      |
| —                       | —                       | 3,676                     | 3,518                  | 9,982                  |
| —                       | —                       | —                         | 21,732                 | —                      |
| 462                     | —                       | 14,014                    | 17,382                 | 12,276                 |
| 3                       | —                       | 3,141                     | 3,415                  | 463                    |
| —                       | —                       | —                         | (117,269)              | —                      |
| <u>\$ (42,547)</u>      | <u>\$ (20,259,311)</u>  | <u>\$ 118,559</u>         | <u>\$ (17,675,660)</u> | <u>\$ 140,813</u>      |
| \$ (598,815)            | \$ —                    | \$ 14,253                 | \$ (800,199)           | \$ 28,012              |
| —                       | —                       | 88                        | 88                     | —                      |

## **FIDUCIARY FUND FINANCIAL STATEMENTS**

### **PRIVATE-PURPOSE TRUST FUNDS**

Individual fund descriptions and financial statements begin on page 259.

### **PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS**

Individual fund descriptions and financial statements begin on page 265.

### **INVESTMENT TRUST FUNDS**

Individual fund descriptions and financial statements begin on page 271.

### **CUSTODIAL FUNDS**

Individual fund descriptions and financial statements begin on page 275.

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021 (in thousands)**

|   | Private-<br>Purpose<br>Trust Funds | Pension and<br>Other Employee<br>Benefits<br>Trust Funds | Investment<br>Trust Funds | Custodial<br>Funds | Totals<br>6/30/21 |
|---|------------------------------------|--|---------------------------|--------------------|-------------------|
| <b>ASSETS</b>   |                                    |  |                           |                    |                   |
| Cash and cash equivalents                                       | \$ 6,933                           | \$ 100,958   | \$ 2,820,283              | \$ 136,497         | \$ 3,064,671      |
| Pooled investments with State Treasury                          | 712,174                            | 214,926  | 1,091,817                 | 1,615,583          | 3,634,500         |
| Total cash and cash equivalents                                 | 719,107                            | 315,884  | 3,912,100                 | 1,752,080          | 6,699,171         |
| <u>Investments</u>  |                                    |  |                           |                    |                   |
| Certificates of deposit   | —                                  | —  | 2,834,231                 | —                  | 2,834,231         |
| U.S. government & federally guaranteed obligations              | 84,794                             | 18,025,673   | 154,601                   | —                  | 18,265,068        |
| Federal agencies  | 73,673                             | 9,551,123  | —                         | —                  | 9,624,796         |
| Commercial paper  | —                                  | 2,828,161  | 8,054,084                 | —                  | 10,882,245        |
| Repurchase agreements   | —                                  | 1,000,000  | 113,947                   | —                  | 1,113,947         |
| Bonds and notes   | 124,673                            | 11,593,167   | 29,570                    | —                  | 11,747,410        |
| International bonds and notes                                   | 23,616                             | 3,171,265  | —                         | —                  | 3,194,881         |
| Real estate contracts   | —                                  | 10,663,262   | —                         | —                  | 10,663,262        |
| Mutual fund investments   | 699,477                            | 25,390,936   | —                         | —                  | 26,090,413        |
| Money market and short-term investments                         | 155,272                            | 1,528,097  | 1,401,653                 | 350                | 3,085,372         |
| Domestic equity   | 6,800                              | 62,822,491   | —                         | —                  | 62,829,291        |
| Alternative investments   | —                                  | 39,472,450   | —                         | —                  | 39,472,450        |
| International equity  | —                                  | 39,328,283   | —                         | —                  | 39,328,283        |
| Deferred compensation annuities                                 | —                                  | 13,427   | —                         | —                  | 13,427            |
| Self-directed brokerage investments                             | —                                  | 1,219,127  | —                         | —                  | 1,219,127         |
| Other investments   | —                                  | 946  | —                         | 200                | 1,146             |
| Total investments   | 1,168,305                          | 226,608,408  | 12,588,086                | 550                | 240,365,349       |
| <u>Receivables</u>  |                                    |  |                           |                    |                   |
| Accounts receivable   | 362                                | 48,660   | —                         | 657,867            | 706,889           |
| State contributions receivable                                  | —                                  | 63,329   | —                         | —                  | 63,329            |
| Nonstate contributions receivable                               | —                                  | 383,594  | —                         | —                  | 383,594           |
| Interest receivable   | 3,752                              | 129,754  | 2,449                     | 447                | 136,402           |
| Dividends receivable  | 187                                | 264,360  | —                         | —                  | 264,547           |
| Pending investment sales  | 19,796                             | 1,108,967  | —                         | —                  | 1,128,763         |
| Foreign currency contracts receivable                           | —                                  | 344,222  | —                         | —                  | 344,222           |
| Due from state funds  | 46,423                             | 90,949   | —                         | 208,471            | 345,843           |
| Due from other governments                                      | 3,285                              | —  | —                         | 548                | 3,833             |
| Total receivables   | 73,805                             | 2,433,835  | 2,449                     | 867,333            | 3,377,422         |
| Security lending collateral                                     | —                                  | 1,983,381  | —                         | —                  | 1,983,381         |
| Advances to other funds   | 1,111,439                          | —  | —                         | —                  | 1,111,439         |
| Advances to other entities                                      | —                                  | —  | —                         | 84,714             | 84,714            |
| Capital assets  | 334                                | 1,455  | —                         | 10                 | 1,799             |
| Accumulated depreciation  | (249)                              | (784)  | —                         | —                  | (1,033)           |
| Other assets  | 64                                 | 5,725  | 21                        | 2,622              | 8,432             |
| Total assets  | 3,072,805                          | 231,347,904  | 16,502,656                | 2,707,309          | 253,630,674       |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                           |                                    |  |                           |                    |                   |
| Pension-related items   | 1,896                              | 156  | —                         | —                  | 2,052             |
| Other postemployment benefits                                   | 818                                | 2,348  | —                         | —                  | 3,166             |
| Total deferred outflows of resources                            | 2,714                              | 2,504  | —                         | —                  | 5,218             |
| <b>LIABILITIES</b>  |                                    |  |                           |                    |                   |
| Accounts payable and accrued liabilities                        | 8,367                              | 194,111  | 904                       | 752,033            | 955,415           |
| Due to other funds  | 5,128                              | 98,651   | 130                       | 249,945            | 353,854           |
| DROP  | —                                  | 308,788  | —                         | —                  | 308,788           |
| Pending investment purchases                                    | 83,121                             | 4,970,401  | —                         | —                  | 5,053,522         |
| Short sell obligations  | —                                  | 76,584   | —                         | —                  | 76,584            |
| Foreign currency contracts payable                              | —                                  | 344,928  | —                         | —                  | 344,928           |
| Broker rebate fees  | —                                  | 63   | —                         | —                  | 63                |
| Due to other governments  | 14,330                             | —  | 2,525                     | 1,060,326          | 1,077,181         |
| Obligations under security lending agreements                   | 41,393                             | 2,016,742  | 51,503                    | 13,825             | 2,123,463         |
| Claims payable  | 423                                | —  | —                         | 21,943             | 22,366            |
| Deposits payable  | 43,233                             | 44,020   | —                         | 247,012            | 334,265           |
| Compensated absences  | 786                                | 1,286  | —                         | —                  | 2,072             |
| Other liabilities   | —                                  | —  | —                         | 352                | 352               |
| Pension liability   | 3,271                              | 474  | —                         | —                  | 3,745             |
| Other postemployment benefits liability                         | 4,310                              | 11,940   | —                         | —                  | 16,250            |
| Total liabilities   | 204,362                            | 8,067,988  | 55,062                    | 2,345,436          | 10,672,848        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                            |                                    |  |                           |                    |                   |
| Pension-related items   | 190                                | 148  | —                         | —                  | 338               |
| Other postemployment benefits                                   | 2,271                              | 6,639  | —                         | —                  | 8,910             |
| Total deferred inflows of resources                             | 2,461                              | 6,787  | —                         | —                  | 9,248             |
| <b>NET POSITION</b>   |                                    |  |                           |                    |                   |
| Restricted for pension benefits                                 | —                                  | 216,985,615  | —                         | —                  | 216,985,615       |
| Restricted for other postemployment benefits                    | —                                  | 6,290,018  | —                         | —                  | 6,290,018         |
| Restricted for individuals, organizations and other governments | 2,868,696                          | —  | 16,447,594                | 361,873            | 19,678,163        |
| Total Net Position  | \$ 2,868,696                       | \$ 223,275,633   | \$ 16,447,594             | \$ 361,873         | \$ 242,953,796    |

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

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|  | Private-<br>Purpose<br>Trust Funds | Pension and<br>Other<br>Employee<br>Benefits<br>Trust Funds | Investments<br>Trust Funds | Custodial<br>Funds | Totals<br>6/30/21 |
|--|------------------------------------|---|----------------------------|--------------------|-------------------|
| <b>ADDITIONS</b>                                 |                                    |   |                            |                    |                   |
| <u>Contributions and other deposits</u>          |                                    |   |                            |                    |                   |
| Pension fund employer contributions - state      | \$ —                               | \$ 851,347  | \$ —                       | \$ —               | \$ 851,347        |
| Pension fund employer contributions - nonstate   | —                                  | 4,087,524   | —                          | —                  | 4,087,524         |
| Pension fund employee contributions              | —                                  | 1,111,096   | —                          | —                  | 1,111,096         |
| Other contributions                              | —                                  | 186,510   | —                          | —                  | 186,510           |
| Purchase of time by employees                    | —                                  | 5,971   | —                          | —                  | 5,971             |
| Fees   | 869                                | 1,867   | —                          | 1,726,175          | 1,728,911         |
| Grants and contributions                         | 161,966                            | —   | —                          | 2,067              | 164,033           |
| Flexible benefits contributions                  | —                                  | 346,163   | —                          | —                  | 346,163           |
| Fines, forfeits, settlements and judgments       | 192                                | 12  | —                          | 22,197             | 22,401            |
| Unclaimed property remittances                   | 679,610                            | —   | —                          | —                  | 679,610           |
| Receivership assets acquired                     | —                                  | —   | —                          | 102,320            | 102,320           |
| Transfers in from state funds                    | 9,677                              | 826,109   | —                          | 770                | 836,556           |
| Total contributions and other deposits           | 852,314                            | 7,416,599   | —                          | 1,853,529          | 10,122,442        |
| <u>Investment income</u>                         |                                    |   |                            |                    |                   |
| Interest income                                  | (12,800)                           | 1,188,088   | 12,406                     | 5,490              | 1,193,184         |
| Dividends  | 8,746                              | 1,818,603   | —                          | —                  | 1,827,349         |
| Other investment income (loss)                   | —                                  | 3,848,829   | —                          | (159)              | 3,848,670         |
| Net increase (decrease) in fair market value     | 167,224                            | 46,163,135  | 187                        | 2                  | 46,330,548        |
| Total investment income (loss)                   | 163,170                            | 53,018,655  | 12,593                     | 5,333              | 53,199,751        |
| Investment activity expense                      | (2,651)                            | (697,378)   | (5,722)                    | —                  | (705,751)         |
| Net income (loss) from investing activity        | 160,519                            | 52,321,277  | 6,871                      | 5,333              | 52,494,000        |
| <u>Security lending activity</u>                 |                                    |   |                            |                    |                   |
| Security lending income                          | —                                  | 25,318  | —                          | —                  | 25,318            |
| Security lending expense                         | —                                  | (3,080)   | —                          | —                  | (3,080)           |
| Net income from security lending                 | —                                  | 22,238  | —                          | —                  | 22,238            |
| Total net investment income (loss)               | 160,519                            | 52,343,515  | 6,871                      | 5,333              | 52,516,238        |
| Other additions                                  | 1,787,073                          | 26,772  | —                          | 8,981,000          | 10,794,845        |
| Total additions                                  | 2,799,906                          | 59,786,886  | 6,871                      | 10,839,862         | 73,433,525        |
| <b>DEDUCTIONS</b>                                |                                    |   |                            |                    |                   |
| Benefit payments                                 | —                                  | 13,520,205  | —                          | —                  | 13,520,205        |
| Insurance claims expense                         | —                                  | 4,250   | —                          | 36,477             | 40,727            |
| Supplemental insurance payments                  | —                                  | 99,239  | —                          | —                  | 99,239            |
| Flexible reimbursement payments                  | —                                  | 27,271  | —                          | —                  | 27,271            |
| Life insurance premium payments                  | —                                  | 35,409  | —                          | —                  | 35,409            |
| Remittances to annuity companies                 | —                                  | 215,289   | —                          | —                  | 215,289           |
| Program contribution refunds                     | —                                  | 21,590  | —                          | —                  | 21,590            |
| Interest expense                                 | 571                                | 2   | —                          | 278                | 851               |
| Student loan default payments                    | 29,661                             | —   | —                          | —                  | 29,661            |
| Payments to unclaimed property claimants         | 343,550                            | —   | —                          | —                  | 343,550           |
| Distribution to State School Fund                | 203,794                            | —   | —                          | —                  | 203,794           |
| Administrative expense                           | 10,697                             | 28,965  | 50                         | 12,044             | 51,756            |
| Transfers out to state funds                     | 4,157                              | 852,487   | —                          | 4,749              | 861,393           |
| Other deductions                                 | 1,848,147                          | 8   | —                          | 10,712,931         | 12,561,086        |
| Total deductions                                 | 2,440,577                          | 14,804,715  | 50                         | 10,766,479         | 28,011,821        |
| <u>Depositor activity</u>                        |                                    |   |                            |                    |                   |
| Deposits   | 534,114                            | —   | 26,496,129                 | 2,531              | 27,032,774        |
| Withdrawals                                      | (263,299)                          | —   | (24,138,127)               | (2,532)            | (24,403,958)      |
| Excess (deficiency) of deposits over withdrawals | 270,815                            | —   | 2,358,002                  | (1)                | 2,628,816         |
| Change in net position                           | 630,144                            | 44,982,171  | 2,364,823                  | 73,382             | 48,050,520        |
| Net position - beginning, restated               | 2,238,552                          | 178,293,462   | 14,082,771                 | 288,491            | 194,903,276       |
| Net position - ending                            | \$ 2,868,696                       | \$ 223,275,633  | \$ 16,447,594              | \$ 361,873         | \$ 242,953,796    |

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

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# COMPONENT UNIT FINANCIAL STATEMENTS

## Major Component Units

### FLORIDA HOUSING FINANCE CORPORATION

Pursuant to Section 420.504, Florida Statutes, this corporation was created as an entrepreneurial public corporation organized to provide and promote public welfare by administering the governmental function of financing or refinancing housing and related facilities in Florida.

### UNIVERSITY OF FLORIDA

University of Florida is a major, public, comprehensive, land-grant, research university with a main campus location in Gainesville, Florida.

### CITIZENS PROPERTY INSURANCE CORPORATION

Pursuant to Section 627.351(6), Florida Statutes, this corporation was created to provide certain residential property, non-residential property, and casualty insurance coverage to qualified risks in the State of Florida under specified circumstances.

## Nonmajor Component Units

Nonmajor component units are presented beginning on page 279.

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**STATEMENT OF NET POSITION  
COMPONENT UNITS  
JUNE 30, 2021  
(in thousands)**

|   | Florida<br>Housing<br>Finance<br>Corporation | University<br>of<br>Florida | Citizens<br>Property<br>Insurance<br>Corporation | Nonmajor<br>Component<br>Units | Totals 6/30/21 |
|---|--|-----------------------------|--|--------------------------------|----------------|
| <b>ASSETS</b>                                     |  |                             |  |                                |                |
| Cash and cash equivalents                         | \$ 288,867                                   | \$ 523,976                  | \$ 540,593                                       | \$ 1,928,358                   | \$ 3,281,794   |
| Pooled investments with State Treasury            | 1,269,405                                    | 946,072                     | —  | 1,912,909                      | 4,128,386      |
| Other investments                                 | 1,716,604                                    | 1,781,322                   | 8,737,017  | 6,106,274                      | 18,341,217     |
| Receivables, net                                  | 131,445                                      | 886,815                     | 229,932  | 1,177,236                      | 2,425,428      |
| Due from component units/primary                  | —  | 114,611                     | —  | 430,815                        | 545,426        |
| Inventories                                       | —  | 81,770                      | —  | 34,737                         | 116,507        |
| Restricted cash and cash equivalents              | —  | 38,059                      | —  | 812,353                        | 850,412        |
| Restricted pooled investments with State Treasury | —  | 256,563                     | —  | 228,346                        | 484,909        |
| Restricted investments                            | —  | 3,959,237                   | —  | 4,681,790                      | 8,641,027      |
| Other loans and notes receivable, net             | 2,293,388                                    | 20,361                      | —  | 109,355                        | 2,423,104      |
| Other assets                                      | 1,609  | 305,735                     | 7,876  | 457,498                        | 772,718        |
| Capital assets, net                               | —  | 4,307,982                   | 1,987  | 22,839,598                     | 27,149,567     |
| Total assets                                      | 5,701,318                                    | 13,222,503                  | 9,517,405  | 40,719,269                     | 69,160,495     |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>             |  |                             |  |                                |                |
| Accum. decrease in fair value-hedging derivatives | —  | 37,286                      | —  | 15,810                         | 53,096         |
| Grants paid in advance                            | —  | —                           | —  | 15                             | 15             |
| Amount deferred on refunding of debt              | —  | 25,575                      | —  | 27,270                         | 52,845         |
| Pension-related items                             | —  | 350,588                     | —  | 1,369,415                      | 1,720,003      |
| Other postemployment benefits                     | —  | 215,767                     | —  | 757,630                        | 973,397        |
| Asset retirement obligations                      | —  | 8,542                       | —  | —                              | 8,542          |
| Total deferred outflows of resources              | —  | 637,758                     | —  | 2,170,140                      | 2,807,898      |
| <b>LIABILITIES</b>                                |  |                             |  |                                |                |
| Accounts payable and accrued liabilities          | 89,004                                       | 622,787                     | 839,505  | 1,092,140                      | 2,643,436      |
| Due to component units/primary                    | —  | 28,980                      | —  | 48,931                         | 77,911         |
| Long-term liabilities                             |  |                             |  |                                |                |
| Due within one year                               | 290,794                                      | 663,032                     | 864,101  | 773,360                        | 2,591,287      |
| Due in more than one year                         | 2,140,898                                    | 4,203,941                   | 830,480  | 10,863,930                     | 18,039,249     |
| Total liabilities                                 | 2,520,696                                    | 5,518,740                   | 2,534,086  | 12,778,361                     | 23,351,883     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>              |  |                             |  |                                |                |
| Deferred service concession arrangement receipts  | —  | —                           | —  | 111,594                        | 111,594        |
| Grants received in advance                        | —  | —                           | —  | 1,143                          | 1,143          |
| Amount deferred on refunding of debt              | —  | 1,917                       | —  | 171                            | 2,088          |
| Pension-related items                             | —  | 72,811                      | —  | 154,507                        | 227,318        |
| Other postemployment benefits                     | —  | 471,947                     | —  | 935,093                        | 1,407,040      |
| Irrevocable split-interest agreements             | —  | 23,717                      | —  | 51,977                         | 75,694         |
| Total deferred inflows of resources               | —  | 570,392                     | —  | 1,254,485                      | 1,824,877      |
| <b>NET POSITION</b>                               |  |                             |  |                                |                |
| Net investment in capital assets                  | —  | 2,626,142                   | 1,987  | 20,412,334                     | 23,040,463     |
| Restricted for                                    |  |                             |  |                                |                |
| Debt service                                      | —  | 6,849                       | —  | 32,983                         | 39,832         |
| Other   | 3,000,409                                    | 657,238                     | —  | 5,067,491                      | 8,725,138      |
| Funds held for permanent endowment                |  |                             |  |                                |                |
| Expendable  | —  | 1,024,720                   | —  | 1,201,855                      | 2,226,575      |
| Nonexpendable                                     | —  | 1,479,743                   | —  | 2,361,847                      | 3,841,590      |
| Unrestricted                                      | 180,213                                      | 1,976,437                   | 6,981,332  | (219,947)                      | 8,918,035      |
| Total net position                                | \$ 3,180,622                                 | \$ 7,771,129                | \$ 6,983,319                                     | \$ 28,856,563                  | \$ 46,791,633  |

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

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**STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

| Functions/Programs                             | Expenses             | Program Revenues     |                                    |                                  | Florida Housing Finance Corporation |
|--|----------------------|----------------------|------------------------------------|----------------------------------|-------------------------------------|
|  |                      | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |                                     |
| Florida Housing Finance Corporation            | \$ 313,872           | \$ 214,967           | \$ —                               | \$ —                             | \$ (98,905)                         |
| University of Florida                          | 6,738,704            | 4,668,870            | 1,160,426                          | 91,243                           | —                                   |
| Citizens Property Insurance Corporation        | 894,097              | 754,520              | —                                  | —                                | —                                   |
| Nonmajor component units                       | 13,877,684           | 3,330,873            | 5,015,521                          | 558,361                          | —                                   |
| Total component units                          | <u>\$ 21,824,357</u> | <u>\$ 8,969,230</u>  | <u>\$ 6,175,947</u>                | <u>\$ 649,604</u>                | <u>(98,905)</u>                     |
| <u>General revenues</u>                        |                      |                      |                                    |                                  |                                     |
| Property taxes                                 |                      |                      |                                    |                                  | —                                   |
| Investment earnings (losses)                   |                      |                      |                                    |                                  | —                                   |
| Gain (loss) on sale of capital assets          |                      |                      |                                    |                                  | —                                   |
| Payments from the State of Florida             |                      |                      |                                    |                                  | —                                   |
| Miscellaneous                                  |                      |                      |                                    |                                  | 431,518                             |
| Contributions to permanent funds               |                      |                      |                                    |                                  | —                                   |
| Total general revenues and contributions       |                      |                      |                                    |                                  | <u>431,518</u>                      |
| Change in net position                         |                      |                      |                                    |                                  | 332,613                             |
| Net position - beginning, as restated (Note 1) |                      |                      |                                    |                                  | <u>2,848,009</u>                    |
| Net position - ending                          |                      |                      |                                    |                                  | <u>\$ 3,180,622</u>                 |

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

Net (Expense) Revenue and Changes in Net Position

| University<br>of<br>Florida | Citizens<br>Property<br>Insurance<br>Corporation | Nonmajor<br>Component<br>Units | Totals<br>6/30/21 |
|-----------------------------|--|--------------------------------|-------------------|
| \$ —                        | \$ —   | \$ —                           | \$ (98,905)       |
| (818,165)                   | —  | —                              | (818,165)         |
| —                           | (139,577)  | —                              | (139,577)         |
| —                           | —  | (4,972,929)                    | (4,972,929)       |
| (818,165)                   | (139,577)  | (4,972,929)                    | (6,029,576)       |
| —                           | —  | 507,400                        | 507,400           |
| 898,150                     | 598,864  | 1,387,588                      | 2,884,602         |
| (10,981)                    | —  | 16,912                         | 5,931             |
| 856,856                     | —  | 4,063,673                      | 4,920,529         |
| 209,197                     | —  | 870,977                        | 1,511,692         |
| 51,896                      | —  | 58,523                         | 110,419           |
| 2,005,118                   | 598,864  | 6,905,073                      | 9,940,573         |
| 1,186,953                   | 459,287  | 1,932,144                      | 3,910,997         |
| 6,584,176                   | 6,524,032  | 26,924,419                     | 42,880,636        |
| \$ 7,771,129                | \$ 6,983,319                                     | \$ 28,856,563                  | \$ 46,791,633     |

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity

The State of Florida's (the state's) financial reporting entity includes the primary government (i.e., legislative agencies, the Governor and Cabinet, departments and agencies, commissions and boards of the Executive Branch, and various offices relating to the Judicial Branch) and its component units.

Component units, as defined in Governmental Accounting Standards Board (GASB) Codification Section 2100, *Defining the Financial Reporting Entity*, and Section 2600, *Reporting Entity and Component Unit Presentation and Disclosure*, are legally separate organizations for which the elected officials of the state are financially accountable. Financial accountability is the ability of the state to appoint a voting majority of an organization's governing board and to impose its will upon the organization. When the state does not appoint a voting majority of an organization's governing body, GASB standards require inclusion in the financial reporting entity if: (1) an organization is fiscally dependent upon the state because its resources are held for the direct benefit of the state or can be accessed by the state and (2) the potential exists for the organization to provide specific financial benefits to, or impose specific financial burdens on the state. In addition, component units can be other organizations for which the nature and significance of their relationship with the state are such that exclusion would cause the state's financial statements to be misleading.

### Blended Component Units

A component unit is reported as blended when either (1) the component unit's governing body is substantively the same as the governing body of the state, *and* (a) there is a financial benefit or burden relationship between the governing body of the state and the component unit, *or* (b) management of the governing body of the state has operational responsibility for the component unit, *or* (2) the component unit provides services entirely, or almost entirely, to the state or otherwise exclusively, or almost exclusively, benefits the state, *or* (3) the component unit's outstanding debt is expected to be repaid entirely or almost entirely with resources of the state.

The following component units provide services entirely or almost entirely to the primary government, or have outstanding debt that is expected to be paid entirely or almost entirely with state resources:

- Career Source Florida, Inc.
- Corrections Foundation, Inc.
- Florida Board of Governors
- Florida Citrus Commission (Department of Citrus)
- Florida Clerks of Court Operations Corporation
- Florida Commission on Community Service (Volunteer Florida)
- Florida Department of Transportation Financing Corporation\*
- Florida Engineers Management Corporation
- Florida Prepaid College Board
- Florida School for the Deaf and the Blind
- Florida Surplus Lines Service Office
- Florida Water Pollution Control Financing Corporation
- Inland Protection Financing Corporation
- Prescription Drug Monitoring Program Foundation\*
- Scripps Florida Funding Corporation
- Space Florida
- State Board of Administration (SBA)
- State Board of Education (SBE)
- Wireless Emergency Telephone System

Blended component units that are considered major funds are reported in separate columns in the fund financial statements. Other blended component units that are considered non-major funds are reported with other funds in the appropriate columns in the fund financial statements. In addition, the financial data for some blended component units are reported in more than one fund type, some of which are considered major and others that are considered non-major. Refer to Section D of this note for more information on the determination criteria for major funds and a list of major funds and fund types.

\* The state's financial statements do not include amounts relating to these component units. The assets of these component units at June 30, 2021, are approximately \$1,289,862.



## Discretely Presented Component Units

Component units that are not blended are discretely presented. In the government-wide financial statements, discrete presentation entails reporting component unit financial data in a column separate from the financial data of the state.

In addition, financial data for discretely presented component units that are considered major are reported in separate columns in the basic financial statements for component units. Discretely presented component units that are considered non-major are combined and reported in one column in the component unit financial statements and are aggregated by type in the combining statements. The state's financial statements are reported for the fiscal year ended June 30, 2021. The state's component units' financial statements are reported for the most recent fiscal year for which an audit report is available. Some component units have a fiscal year other than June 30. Accordingly, amounts reported by the state as due from and to component units on the statement of net position may not agree with amounts reported by the component units as due from and to the state. Refer to Section D of this note for more information on major fund determination and presentation. The state's discretely presented component units are grouped into the following categories:

***State Universities and Colleges.*** State universities and colleges receive funding from the state. The State University System is governed by the Florida Board of Governors. The Florida College System is governed by the State Board of Education. Each university and college is administered by a local board of trustees. All state universities and colleges have a June 30 year-end. Component units included in this category are:

### ***State Universities***

#### ***Major:***

- University of Florida<sup>1</sup>

#### ***Non-major:***

- Florida Agricultural and Mechanical University
- Florida Atlantic University
- Florida Gulf Coast University
- Florida International University
- Florida Polytechnic University
- Florida State University
- New College of Florida
- University of Central Florida
- University of North Florida
- University of South Florida
- University of West Florida

### ***Florida College System Institutions***

#### ***Non-major:***

- Broward College
- Chipola College
- College of Central Florida
- Daytona State College
- Eastern Florida State College
- Florida Gateway College
- The College of the Florida Keys
- Florida State College at Jacksonville
- Florida SouthWestern State College
- Gulf Coast State College
- Hillsborough Community College
- Indian River State College
- Lake-Sumter State College
- Miami Dade College
- North Florida College
- Northwest Florida State College
- Palm Beach State College
- Pasco-Hernando State College
- Pensacola State College
- Polk State College
- Santa Fe College

- Seminole State College of Florida
- South Florida State College
- St. Johns River State College
- St. Petersburg College
- State College of Florida, Manatee-Sarasota
- Tallahassee Community College
- Valencia College

<sup>1</sup> Significant transactions occurring during the 2020-21 fiscal year between the University of Florida and the state totaled \$910 million. These funds represent state appropriated funds to the University of Florida.

**Florida Housing Finance Corporation (Major).** Pursuant to Section 420.504, Florida Statutes (F.S.), this corporation was created as an entrepreneurial public corporation organized to provide and promote public welfare by administering the governmental function of financing or refinancing housing and related facilities in Florida. This entity has a December 31 year-end. Significant transactions occurring during the 2020-21 fiscal year between the Florida Housing Finance Corporation and the state included revenues of state documentary stamp taxes totaling \$400 million and transfers to state agencies of \$125 million.

**Citizens Property Insurance Corporation (Major).** Pursuant to Section 627.351(6), F.S., this corporation was created to provide certain residential property and casualty insurance coverage to qualified risks in the state under specified circumstances. This entity has a December 31 year-end. For additional information, refer to Note 14B.

**Water Management Districts.** Pursuant to Section 373.069, F.S., these districts were created to provide for the management and conservation of water and related land resources. In addition, the general regulatory and administrative functions of these districts are either fully or in part financed by general appropriations. Water management districts have a September 30 year-end. Component units included in this category are:

**Non-major:**

- Northwest Florida Water Management District
- St. Johns River Water Management District
- South Florida Water Management District
- Southwest Florida Water Management District
- Suwannee River Water Management District

**Other.** Additional discretely presented component units of the state include various foundations and not-for-profit organizations. The fiscal year-ends of these component units may vary. Component units included in this category are:

**Non-major:**

- Commission for Florida Law Enforcement Accreditation, Inc.\*
- Enterprise Florida, Inc.
- Florida Agricultural Museum\*
- Florida Agriculture Center and Horse Park Authority\*
- Florida Agriculture in the Classroom, Inc.\*
- Florida Alliance to End Human Trafficking\*
- Florida Birth-Related Neurological Injury Compensation Plan
- Florida Board of Governors Foundation, Inc.\*
- Florida Concrete Masonry Education Council\*
- Florida Corrections Accreditation Commission, Inc.\*
- Florida Education Foundation, Inc.\*
- Florida Education Fund, Inc.
- Florida Foundation for Correctional Excellence\*
- Florida Fund for Minority Teachers, Inc.\*
- Florida Healthy Kids Corporation
- Florida is for Veterans, Inc.\*
- Florida Mobile Home Relocation Corporation\*
- Florida Patient's Compensation Fund
- Florida State Fair Authority
- Florida Telecommunications Relay, Inc.\*
- Florida Tourism Industry Marketing Corporation, Inc.

- Florida Veterans Foundation, Inc.\*
- Florida Virtual School
- Forestry Arson Alert Association, Inc.\*
- Friends of Florida State Forests, Inc.\*
- Higher Educational Facilities Financing Authority
- Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE)
- South Florida Regional Transportation Authority
- The Florida College System Foundation, Inc.\*
- The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
- Triumph Gulf Coast, Inc.
- Wildlife Alert Reward Association\*
- Wildlife Foundation of Florida, Inc.\*

\*The state's financial statements do not include amounts relating to several component units. The assets and revenues relating to these component units totaled \$127 million and \$37 million, respectively. These amounts represent less than one percent of total aggregate component unit assets and revenues.

### Joint Ventures

A joint venture is an organization that results from a contractual arrangement 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 (1) an ongoing financial interest or (2) an ongoing financial responsibility. Financial data for the state's joint ventures are not included in its statements. The state's joint ventures include the following:

***Apalachicola-Chattahoochee-Flint River Basin (ACFRB) Commission.*** Section 373.69, F.S., provides for the creation of an interstate administrative agency to promote interstate comity, remove causes of present and future controversies, equitably apportion the surface waters of the ACFRB, and engage in water planning. Operational funding required by the Commission is equally shared among the party states.

***Board of Control for Southern Regional Education.*** Section 1000.32, F.S., promotes the development and maintenance of regional education services and facilities in the southern states to provide greater educational advantages and facilities for the citizens in the region. The states established a joint agency called the Board of Control for Southern Regional Education to submit plans and recommendations to the states from time to time for their approval and adoption by appropriate legislative action for the development, establishment, acquisition, operation, and maintenance of educational facilities in the region.

***Regional Planning Councils.*** Sections 186.501 through 186.513, F.S., the "Florida Regional Planning Council Act," provide for the creation of regional planning agencies to assist local governments in resolving their common problems. The regional planning councils are designated as the primary organizations to address problems and plan solutions that are of greater-than-local concern or scope. Participants in these councils are required by statutes to contribute to the support of these programs.

***Southern States Energy Compact.*** Section 377.711, F.S., enacted this compact into law joining the State of Florida and other states to recognize that the proper employment and conservation of energy, and the employment of energy-related facilities, materials, and products can assist substantially in the industrialization of the South and the development of a balanced economy in the region. The State of Florida appropriates funds to support Florida's participation in the compact.

***Interstate Commission of Nurse Licensure Compact Administrators.*** Section 464.0095, F.S., enacted this compact into law joining the State of Florida and other states with the general purpose to facilitate the states' responsibility to protect the public's health and safety with regard to nurse licensure and regulation. This compact is additionally purposed with facilitating the exchange of information among party states in the areas of nurse regulation, investigation, and adverse actions, promote compliance with the laws governing the practice of nursing, and decrease redundancies in the consideration and issuance of nurse licenses.

## Related Organizations

Organizations for which the state is accountable because the state appoints a voting majority of the board, but for which the state is not financially accountable, are deemed “related organizations.” The state’s related organizations include certain transportation authorities, hospital districts, port authorities, aviation authorities and a financing corporation. The state is not financially accountable for any of these organizations; therefore, applicable financial data is not included in the state’s financial statements.

## Contact

Financial statements of the component units that issue separate statements and other financial statement-related information may be obtained from:

Department of Financial Services  
 Bureau of Financial Reporting  
 Statewide Financial Reporting Section  
 200 East Gaines Street  
 Tallahassee, Florida 32399-0364  
 Telephone: (850) 413-5511  
 Department Website: <http://www.myfloridaacfo.com>

Joint ventures may be contacted directly for their financial statements.

## B. Basic Financial Statements

The state’s financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by GASB. The basic financial statements of the state, including its component units, are presented in the required format discussed below.

### Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. 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 fees and charges for support. Likewise, the primary government is reported separately from its discretely presented component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function. Some functions may include administrative overhead that is essentially indirect expenses of other functions. The state currently does not allocate those indirect expenses to other functions. 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; (2) grants and contributions that are restricted to meeting the operational requirements of a particular function; and (3) grants and contributions that are restricted to meeting the capital requirements of a particular function. Taxes and other items not included in program revenues are reported in general revenues.

### Fund Financial Statements

Separate 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.

## C. Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become susceptible to accrual, generally when they are both measurable and available. Revenues collected within 60 days of the end of the current fiscal year are considered available, with the exception of certain tax revenues, which are considered available when collected within 30 days of year-end. For governmental funds, certain long-term liabilities, such as compensated absences, due within 60 days of the end of the current fiscal year are expected to be liquidated with expendable financial resources and are recognized within the applicable

governmental fund. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures for insurance and similar services extending over more than one fiscal year generally are accounted for as expenditures of the fiscal year of acquisition. Further, principal and interest on general long-term debt are recognized when due.

#### **D. Basis of Presentation**

##### **Major Funds**

GASB Codification Section 2200, *Comprehensive Annual Financial Report*, sets forth minimum criteria (percentage of the total assets and deferred outflows of resources, total liabilities and deferred inflows of resources, revenues, or expenditures/expenses for either fund category or the governmental and enterprise funds combined) for the determination of major funds. GASB Codification Section 2200 further requires that the reporting government's main operating fund (the General Fund) always be reported as a major fund. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The non-major funds are combined in a column in the fund financial statements and detailed in the combining statements. The state reports the following major funds:

##### **Major Governmental Funds**

**General Fund** – a fund that accounts for the financial resources of the state, except those required to be accounted for in another fund. This is the state's primary operating fund.

**Natural Resources, Environment, and Growth Management** – a special revenue fund that accounts for the operations of various programs such as air pollution control, water quality assurance, ecosystem management, and marine resources conservation. Transfers from other funds, pollutant tax collections, and federal grants are its major sources of revenue. Prior to 6/30/2018, this fund was reported as the Environment, Recreation, and Conservation Fund.

**Public Education** – a special revenue fund that includes funds used to operate education-related programs. Significant sources of revenue for this fund are federal grants, transfers from the Florida Lottery, and utility taxes.

**Health and Family Services** – a special revenue fund that includes funds used to operate various health and family service-related programs such as health care, elder affairs, and public assistance. Federal grants are the predominant sources of revenue for this fund.

**Transportation** – a special revenue fund that accounts for the maintenance and development of the state highway system and other transportation-related projects. It accounts for federal grants, motor fuel and aviation fuel taxes, automobile registration fees, and other revenues that are used for transportation purposes.

##### **Major Business-type Funds**

**Transportation** – an enterprise fund that primarily accounts for operations of Florida's Turnpike System.

**Lottery** – an enterprise fund that accounts for state lottery operations, which include sale of lottery tickets, payment of lottery prizes, and transfers to the Educational Enhancement Trust Fund.

**Florida Hurricane Catastrophe Fund** – an enterprise fund that accounts for operations of the Florida Hurricane Catastrophe Fund, which was created to help cover insurers' losses in the event of a hurricane disaster.

**Prepaid College Program** – an enterprise fund that accounts for payments from purchasers of the Florida Prepaid College Program. This program was created to provide a medium through which the cost of state post-secondary education may be paid in advance of enrollment at a rate lower than the projected corresponding costs at the time of enrollment.

**Reemployment Assistance** – an enterprise fund that accounts for contributions, benefit payments, grants, loans, and investments for the Unemployment Compensation Fund, which was created to pay reemployment assistance benefits to eligible individuals.

## Fund Types

Additionally, the state reports the following fund types:

### Internal Service Funds

These proprietary-type funds are primarily used to report activities that provide goods or services to other funds or agencies within the state, rather than to the general public. Internal service funds are classified into the following categories:

- **Employee Health and Disability** – includes funds that account for state employees’ health and disability plans.
- **Data Centers** – includes funds that account for services provided by data processing centers operated by various agencies.
- **Communications and Facilities** – includes funds that primarily account for services provided by the Department of Management Services such as those related to the construction, operation, and maintenance of public facilities, and management and operation of the SUNCOM (state communication) Network.
- **Other** – includes funds that account for services provided to other state agencies such as legal services, records management, and community services (inmate work squads).

### Fiduciary Fund Types

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the state’s own programs.

**Private-Purpose Trust Funds** – funds that are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments including funds accounting for unclaimed property, federally guaranteed higher education loans, contributions to a college savings plan, and various others.

**Pension and Other Employee Benefits Trust Funds** – funds that are used to report resources that are required to be held in trust for the members and beneficiaries of the state’s pension plans and other employee benefit plans.

**Custodial Funds** – funds that are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. For example, these funds account for asset and liability balances related to retiree health care, taxes collected and held by the Department of Revenue for other entities, and student funds held by the Florida School for the Deaf and the Blind.

**Investment Trust Funds** – funds that are used to report the external portion of investment pools reported by the state.

## **E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance**

### **Cash and Cash Equivalents**

The state’s cash includes cash on hand and on deposit in banks, including demand deposits, certificates of deposit, and time deposits. Most deposits are held by financial institutions qualified as public depositories under Florida law. Cash equivalents are short-term, highly liquid investments. For the purposes of GASB Codification Section 2450, *Cash Flows Statements*, pooled investments with the State Treasury are considered cash equivalents. Details of deposits are included in Note 2.

### **Investments**

Florida Statutes authorize the state to invest in various instruments. The state reports investments in accordance with GASB Codification Section I50, *Investments*.

Investments with the State Treasury are reported at fair value which is obtained from independent pricing service providers. Independent pricing service providers use quoted market prices when available and employ various, sometimes proprietary, multifactor models for determining a security’s fair value if it is not available from quoted market prices. Some securities, including U.S. government, municipal bonds, and mortgage-backed and asset-backed securities, are priced using evaluated bid prices. Evaluated bid prices are determined by taking bid prices and adjusting them by an evaluated adjustment factor derived from the independent pricing service’s multifactor model. If values are not available using the above methods, secondary methods such as non-evaluated mid-price and bid price are used. If no source of values is available, cost or last available price from any source is used, or other pricing methodology as directed by the State Treasury.

Investments managed by the State Board of Administration (SBA) are reported in various funds. Investments of the Debt Service Escrowed Fund, which meet the requirements of a legal or in-substance defeasance, are reported at cost. Investments of the Local Government Surplus Funds Trust Fund are reported based on amortized cost. Other investments managed by the

SBA, including those related to the state's defined benefit and defined contribution pension plans, are reported at fair value at the reporting date.

For SBA-managed investments, fair values are obtained or estimated in accordance with the Global Pricing Guidelines established with the SBA's custodian, BNY Mellon Bank. BNY Mellon Bank uses a variety of independent pricing vendors and designates certain vendors as the primary source based on asset type, class or issue. BNY Mellon Bank monitors prices supplied by primary sources and may use a supplemental price source or change the primary price source if any of the following occurs:

- The price of a security is not received from the primary price source.
- The primary price source no longer prices a particular asset type, class or issue.
- The SBA or its portfolio investment manager challenges a price and BNY Mellon Bank reviews the price with the vendor, who agrees that the price provided by that vendor may not be appropriate.
- The price from the primary source exceeds BNY Mellon Bank's price tolerance checkpoints and results in a vendor comparison review where another source is deemed to be more appropriate by the BNY Mellon Bank.

When a portfolio includes securities or instruments for which BNY Mellon Bank does not receive fair value information from its vendor price sources, BNY Mellon Bank uses a "non-vendor price source." Examples include, but are not limited to, limited partnerships or similar private investment vehicles that do not actively trade through established exchange mechanisms; other private placements where there is limited or no information in the market place; and unique fixed income and equity instruments. The SBA does not provide direction regarding the substitution of prices in such instances where securities or instruments are in the portfolio of an investment manager appointed by the SBA. In such cases where the SBA directed the purchase of such securities or instruments, BNY Mellon may obtain the non-vendor prices by contacting the SBA only if it is not commercially reasonable to directly obtain the non-vendor price information from the broker of record, as identified by the SBA.

For private market investments, where no readily ascertainable market value exists (including limited partnerships, hedge funds, directly-owned real estate, and real estate pooled funds), fair values for the individual investments are based on the net asset value (capital account balance) at the closest available reporting period, as communicated by the general partner and/or investment manager, adjusted for subsequent contributions and distributions. The valuation techniques vary based upon investment type and involve a certain degree of judgment. The most significant input into the net asset value of an entity is the value of its investment holdings. The net asset value is provided by the general partner and/or investment manager and reviewed by management.

Annually, the financial statements of all private market investments are audited by independent auditors. Private market investments in which the SBA has a controlling interest are also required to be valued annually by independent, licensed external appraisers selected by an appraisal management company retained by the SBA.

All derivative financial instruments are reported at fair value in the statements of net position. The instruments are adjusted to fair value at least monthly, with valuation changes recognized in investment earnings. Gains and losses are recorded in the statements of changes in net position as "net increase (decrease) in fair market value" during the period.

Because of the inherent uncertainty of the valuation using pricing methodologies other than the quoted market prices, the estimated fair values may differ from the values that would have been used had a ready market existed.

Investment detail is included in Note 2.

### **Inventories**

Inventories primarily consist of expendable supplies. Inventories are recorded according to the consumption method as expenditures when consumed. At the end of the fiscal year, inventory is reported as an asset and identified in fund balance as non-spendable. The method used to determine the cost of inventories varies by agency responsible for the inventories.

### **Capital Assets**

Capital assets are real, personal, and intangible property that have a cost equal to or greater than an established capitalization threshold and have an estimated useful life extending beyond one year. For additional information, refer to Note 5.

### **Deferred Outflows of Resources**

A consumption of net assets by the government that is applicable to a future reporting period is presented as a deferred outflow of resources.

### Long-term Liabilities

Refer to Note 6 for information on pension and other postemployment benefit (OPEB) liabilities; Note 8 for information on bonds payable and certificates of participation; Note 9 for information on installment purchases, capital leases, and public-private partnership agreements; and Note 10 for changes in long-term liabilities.

### Compensated Absences Liability

Employees earn the right to be compensated during absences for vacation and illness, as well as, for unused special compensatory leave earned for hours worked on legal holidays and other specifically authorized overtime. Compensated absences for annual leave are recorded as a liability when the benefits are earned. Compensated absences for sick leave are calculated based on the vesting method. Within the limits established by law or rule, the value of unused leave benefits will be paid to employees upon separation from state service. The amounts reported for compensated absences are based on current year-end salary rates and include employer Social Security and Medicare tax and pension contributions at current rates.

### Deferred Inflows of Resources

A deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period.

### Components of Net Position

The government-wide statement of net position classifies net position into the following categories: (1) net investment in capital assets, (2) restricted, and (3) unrestricted. The “net investment in capital assets” component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. “Restricted” net position is reported when constraints are placed on net position that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. “Unrestricted” net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.” When both restricted and unrestricted resources are to be used for the same purpose, the agency responsible for administering the resources determines the flow assumption used to identify the portion of expenses paid from restricted resources. At June 30, 2021, the government-wide statement of net position reported a restricted net position of \$27.5 billion, of which \$16.7 billion is restricted by enabling legislation.

### Components of Fund Balance

**Nonspendable fund balance** includes amounts that cannot be spent. This includes activity that is not in a spendable form such as inventories, prepaid amounts, and long-term portion of loans and notes receivable, net, unless the proceeds are restricted, committed or assigned. Additionally, activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund, is considered to be nonspendable.

**Restricted fund balance** has constraints placed upon the use of the resources either by an external party, such as the Federal Government, or imposed by law through a constitutional provision or enabling legislation.

**Committed fund balance** includes amounts that can be used only for the specific purposes determined by a formal action of the state’s highest level of decision-making authority, the Legislature and the Governor, i.e. through legislation passed into law. Commitments may only be modified or rescinded by equivalent formal, highest-level action.

**Unassigned fund balance** is the residual amount of the General Fund not included in the three categories described above. Also, any remaining deficit fund balances within the other governmental fund types are reported as unassigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, it is the state’s general policy to use restricted resources first. When expenditures are incurred for which unrestricted (committed or unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the state’s general policy to spend committed resources first. However, the agency responsible for administering the resources determines the flow assumption used to identify the portion of expenses paid from restricted resources.



Fund Balances Classifications and Special Revenue by Purpose – GASB Codification Section 2200, *Comprehensive Annual Financial Report*, requires presentation of governmental fund balances and special revenue fund revenues by specific purpose. In the basic financial statements, the fund balance classifications are presented in the aggregate. The table presented below displays further detail of nonspendable fund balance and appropriation of resources existing at June 30, 2021 (in thousands).

|                                    | General Fund  | Natural Resources, Environment, and Growth Management | Public Education | Health and Family Services | Transportation | Nonmajor Governmental Funds | Total         |
|------------------------------------|---------------|---|------------------|----------------------------|----------------|-----------------------------|---------------|
| <b>Fund balances:</b>              |               |   |                  |                            |                |                             |               |
| <b>Nonspendable:</b>               |               |   |                  |                            |                |                             |               |
| Inventory and Prepaid Items        | \$ 9,801      | \$ 708  | \$ —             | \$ 27,380                  | \$ 8,230       | \$ 2,770                    | \$ 48,889     |
| Long-term Receivables and Advances | 1,329         | —   | —                | —                          | —              | —                           | 1,329         |
| Permanent Fund Principal           | —             | —   | —                | —                          | —              | 4,028                       | 4,028         |
| Total                              | 11,130        | 708   | —                | 27,380                     | 8,230          | 6,798                       | 54,246        |
| <b>Restricted:</b>                 |               |   |                  |                            |                |                             |               |
| Grantors/Contributors              | 611           | 60,077  | —                | 76,952                     | —              | 43,940                      | 181,580       |
| Enabling Legislation               | 37,434        | 6,394   | 88,575           | 48,965                     | 50             | 264,414                     | 445,832       |
| Constitutional Provision           | —             | 73,210  | 360,362          | —                          | —              | 910                         | 434,482       |
| Creditors                          | —             | 3,074   | 857,036          | —                          | —              | 1,180,656                   | 2,040,766     |
| Federal Government                 | 26,458        | 2,842,235   | 14,208           | 119,908                    | —              | 77,449                      | 3,080,258     |
| Total                              | 64,503        | 2,984,990   | 1,320,181        | 245,825                    | 50             | 1,567,369                   | 6,182,918     |
| <b>Committed:</b>                  | 1,509,709     | 1,667,336   | 738,714          | 1,777,376                  | 1,880,075      | 1,512,797                   | 9,086,007     |
| <b>Unassigned:</b>                 | 12,618,756    | —   | (910,380)        | —                          | —              | —                           | 11,708,376    |
| Total Fund Balances                | \$ 14,204,098 | \$ 4,653,034  | \$ 1,148,515     | \$ 2,050,581               | \$ 1,888,355   | \$ 3,086,964                | \$ 27,031,547 |

Section 215.32(2)(b)4.a., F.S., provides that the unappropriated cash balances from selected trust funds may be authorized by the Legislature for transfer to the Budget Stabilization Fund and the General Revenue Fund through the General Appropriation Act. The amounts indicated below were identified in the State's 2021 General Appropriations Act as being unappropriated June 30, 2021, cash balances that are to be transferred to and from the funds indicated during the 2021-22 fiscal year (in thousands).

|                                      | General Fund | Natural Resources, Environment, and Growth Management | Public Education | Health and Family Services | Transportation | Nonmajor Governmental Funds | Total     |
|--------------------------------------|--------------|---|------------------|----------------------------|----------------|-----------------------------|-----------|
| Transfer to (from) Fund              | \$ 139,500   | \$ (86,500)   | \$ —             | \$ (45,000)                | \$ —           | \$ (8,000)                  | \$ —      |
| Transfer from Non-Governmental Funds | 31,500       | —   | —                | —                          | —              | —                           | 31,500    |
| Total                                | \$ 171,000   | \$ (86,500)   | \$ —             | \$ (45,000)                | \$ —           | \$ (8,000)                  | \$ 31,500 |

**F. Interfund Activity and Balances**

The effect of interfund activities, except those between funds reported as governmental activities and funds reported as business-type activities, has been eliminated from the government-wide statements. In the fund financial statements, transfers represent flows of assets without equivalent flows of assets in return or a requirement for repayment. Transfers are recorded when a fund receiving revenue provides it to the fund which expends the resources. Transfers between funds are made to accomplish various provisions of law.

Interfund receivables and payables have been eliminated from the statement of net position, except for the residual amounts due between governmental and business-type activities.

For additional information, refer to Note 11.

**G. Nonmonetary Transactions**

The state participates in various activities that are, in part, represented by nonmonetary transactions. Examples include nonmonetary assistance in the form of Federal grants, such as vaccines, Electronic Benefit Transfer cards for food assistance, and donated food commodities. The state also acts as an agent for the United States Department of Agriculture in the distribution of donated food commodities to qualifying organizations outside the state's reporting entity. The fair value of these items is reported in the governmental fund financial statements.

State Attorneys and Public Defenders of the State of Florida are furnished certain office space and other services by counties under the provisions of Chapter 29, F.S. Some counties also provide certain facilities and services to other officers and staff of the judicial branch. The value of the facilities and services provided by the counties is not reported as revenue.

## H. Operating and Non-Operating Revenues

Proprietary funds distinguish operating from non-operating revenues. Operating revenues are typically derived from providing goods or services, and include all transactions involved in delivering those goods or services. These revenues are a direct result of exchange-type transactions associated with the principal activity of the fund. Cash flow resulting from capital and related financing, noncapital financing and investment activities are considered non-operating for reporting purposes.

## I. Accounting and Reporting Changes

The state implemented GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities focusing on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Activities meeting the criteria are reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. GASB Statement No. 84 describes four fiduciary funds that should be reported, if applicable:

- a. pension and other employee benefit trust funds,
- b. investment trust funds,
- c. private-purpose trust funds, and
- d. custodial funds.

The state implemented GASB Statement No. 90, *Majority Equity Interests*, which improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. GASB Statement No. 90:

- a. Defines a majority equity interest and specifies that a majority equity interest in a legally separate organization is reported as an investment if a government's holding of the equity interest meets the definition of an investment.
- b. Establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.
- c. Requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit.

The state implemented GASB Statement No. 93, *Replacement of Interbank Offered Rates*, which establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments.

The state implemented paragraphs 4 and 5 of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*. The statement clarifies how the absence of a governing board should be considered in determining whether a primary government is financially accountable for purposes of evaluating potential component units. For purposes of determining whether a primary government is financially accountable, the absence of a governing board (when the government is performing the duties a governing board normally would perform) should be treated the same as the appointment of a voting majority of a governing board, except for defined contribution (DC) pension plans, DC other postemployment benefit plans, or other employee benefit plans. Paragraph 5 amended the financial burden criterion in paragraph 7 of Statement 84 to apply only to defined benefit (DB) pension plans and DB other postemployment benefit plans.

The adoption of paragraphs 4 and 5 of this Statement was done in conjunction with the adoption of GASB Statement No. 84, *Fiduciary Activities*.

The state implemented GASB Statement No. 98, *The Annual Comprehensive Financial Report*, which establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replaces references of the term comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The adoption of this Statement did not have a material effect on the financial statements.

**J. Net Position Reclassifications and Restatements**

Net position at June 30, 2020 have been adjusted as follows (in thousands):

|   | Governmental<br>Activities | Proprietary Funds    |                            |                        |
|---|----------------------------|----------------------|----------------------------|------------------------|
|   |                            | Transportation       | Reemployment<br>Assistance | Nonmajor<br>Enterprise |
| <b>Net Position, June 30, 2020, as previously reported</b>                          | \$ 69,670,217              | \$ 12,930,899        | \$ 2,318,051               | \$ 238,330             |
| To increase/(decrease) fund balance to correct accounting errors.                   | (36,835)                   |                      |                            |                        |
| To decrease fund balance related to payables - toll facilities.                     | (61,174)                   |                      |                            |                        |
| To decrease fund balance related to reclassification of Covid-19 CARES Act funding. | (506,320)                  |                      |                            |                        |
| To increase net position related to toll facilities.                                |                            | 74,293               |                            |                        |
| To increase net position related to amortization of Skyway revenue bonds.           |                            | 1,460                |                            |                        |
| To decrease net position related to reclassification of unemployment compensation.  |                            |                      | (65,857)                   |                        |
| To decrease net position related to Covid-19 CARES Act funding.                     |                            |                      |                            | (247)                  |
| <b>Net Position, June 30, 2020, as restated</b>                                     | <b>\$ 69,065,888</b>       | <b>\$ 13,006,652</b> | <b>\$ 2,252,194</b>        | <b>\$ 238,083</b>      |

*(Continued Below)*

|   | Fiduciary Funds       | Component Units          |                                |                             |
|---|-----------------------|--------------------------|--------------------------------|-----------------------------|
|   |                       | University<br>of Florida | Citizens Property<br>Insurance | Nonmajor<br>Component Units |
| <b>Net Position, June 30, 2020, as previously reported</b>        | \$ 194,877,894        | \$ 6,585,272             | \$ 6,523,875                   | \$ 26,955,608               |
| To decrease net position related to Covid-19 CARES Act funding.   | (9)                   |                          |                                |                             |
| To decrease fund balance related to payables - toll facilities.   |                       |                          |                                |                             |
| To increase/(decrease) net position as a result of GASB 84.       | 25,391                | (1,096)                  |                                |                             |
| To increase/(decrease) net position to correct accounting errors. |                       |                          | 157                            | (31,189)                    |
| <b>Net Position, June 30, 2020, as restated</b>                   | <b>\$ 194,903,276</b> | <b>\$ 6,584,176</b>      | <b>\$ 6,524,032</b>            | <b>\$ 26,924,419</b>        |

**K. Budget Stabilization Fund**

The State Constitution mandates the creation and maintenance of a Budget Stabilization Fund, in an amount not less than 5 percent nor more than 10 percent of the last complete fiscal year’s net revenue collections for the General Revenue Fund. Monies in the Budget Stabilization Fund may be transferred to the General Revenue Fund to offset a deficit therein or to provide emergency funding, including payment of up to \$38 million with respect to certain uninsured losses to state property. Monies in this fund are constitutionally prohibited from being obligated or otherwise committed for any other purposes, in accordance with Section 216.222, F.S. Any withdrawals from the Budget Stabilization Fund must be restored from general revenues in five equal annual installments, commencing in the third fiscal year after the expenditure, unless the Legislature establishes a different restoration schedule, in accordance with Section 215.32, F.S.

The Budget Stabilization Fund had \$1.67 billion in cash at June 30, 2021. During fiscal year 2020-21, the General Revenue Fund was authorized to transfer \$100 million to the Budget Stabilization Fund. There were no disbursements made from the fund.

## NOTE 2 - DEPOSITS AND INVESTMENTS

### A. Deposits

At June 30, 2021, the state's deposits in financial institutions totaled approximately \$3.7 billion for primary government and \$4.1 billion for discretely presented component units.

#### 1. Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the state will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The state mitigates custodial credit risk by generally requiring public funds to be deposited in a bank or savings association that is designated by the Chief Financial Officer (CFO) as authorized to receive deposits in the state and meets the collateral requirements as set forth in Chapter 280, Florida Statutes (F.S.).

The CFO determines the collateral requirements and collateral pledging level for each Qualified Public Depository (QPD) following guidelines outlined in Section 280.04, F.S., and Department of Financial Services Rules, Chapter 69C-2, Florida Administrative Code. Collateral pledging levels include 25, 50, 110, and 150 percent of a QPD's average daily deposit balance, or, if needed, an amount as prescribed by the CFO. Section 280.13, F.S., outlines eligible types of collateral including direct obligations of the United States (U.S.) Government, federal agency obligations fully guaranteed by the U.S. Government, certain federal agency obligations, state and local government obligations, corporate bonds, and letters of credit issued by a Federal Home Loan Bank. Also, with the CFO's permission, eligible collateral includes collateralized mortgage obligations, real estate mortgage investment conduits and securities or other interests in any open-end management investment company registered under the Investment Company Act of 1940. However, the portfolio of the investment company must be limited to direct obligations of the U.S. Government and to repurchase agreements fully collateralized by such direct obligations of the U.S. Government, and the investment company must take delivery of such collateral either directly or through an authorized custodian.

In accordance with Section 280.08, F.S., if a QPD defaults, losses to public depositors are first satisfied with any applicable depository insurance, followed by demands of payment under any letters of credit or sale of the defaulting QPD's collateral. If necessary, any remaining losses are to be satisfied by assessments against the other participating QPDs according to a statutory based ratio.

At June 30, 2021, the following deposits were not secured pursuant to Chapter 280, F.S., and were exposed to custodial credit risk because they were uninsured and (1) uncollateralized, (2) collateralized with securities held by the pledging financial institution, or (3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the state's name (in thousands).

#### Schedule of Deposits with State Treasury Exposed to Custodial Credit Risk As of June 30, 2021

| Custodial Credit Risk                              | Bank Statement Balance (in U.S. \$) |                 |
|--|-------------------------------------|-----------------|
|  | Primary Government                  | Component Units |
| (1)  | \$ 3,000,451                        | \$ 779,453      |
| (2)  | —                                   | 322,985         |
| (3)  | —                                   | —               |
| Total deposits subject to<br>custodial credit risk | \$ 3,000,451                        | \$ 1,102,438    |

#### 2. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit. Under Section 215.47, F.S., and subject to the limitations and conditions of the State Constitution or of the trust agreement relating to a trust fund, moneys available for investment by the State Board of Administration (SBA) may be invested in fixed income obligations or stocks denominated in foreign currency. The SBA has developed total fund investment policies for the investment of assets in the Florida Retirement System (FRS) Pension Trust Fund and the Lawton Chiles Endowment Fund (LCEF) that set ranges on investments by asset class in each fund. Under the FRS Pension Trust Fund and LCEF investment policy statements approved

by SBA Trustees effective October 1, 2020, and June 17, 2014, respectively, foreign and domestic equity securities are included in the global equity asset class. The FRS Pension Trust Fund and LCEF have target allocations to global equities of 53% and 71%, respectively, with policy ranges from 45-70% for FRS and 61-81% for LCEF, but within these ranges there are no limits on the amount of foreign equity securities that are denominated in foreign currency. The FRS Pension Trust Fund is not limited to holding securities in foreign currency only in the global equity asset class. All asset classes may hold non-U.S. securities, depending on portfolio guidelines. The Florida Prepaid Program's comprehensive investment plan limits investment in foreign equities to 25% of total equities, with the target for total equities to be 70% of the actuarial reserve. In all cases, Florida law limits the exposure to foreign securities held outside of commingled funds to 50% of the total fund. The investment plans may be modified in the future if the SBA or Florida Prepaid adopts changes. This investment activity in foreign investments resulted in deposits in foreign currency as of June 30, 2021, as illustrated in the following schedule (in thousands):

**Schedule of Investments with State Board of Administration  
Foreign Currency Deposits Held As of June 30, 2021**

| Currency   | Bank Statement Balance (in U.S. \$) |                 |   |                  |
|--|-------------------------------------|-----------------|---|------------------|
|  | FRS Pension<br>Trust Fund           | LCEF            | Florida Prepaid<br>Program and<br>Investment Plan | Total            |
| Australian dollar                                  | \$ 1,378                            | \$ 97           | \$ 53   | \$ 1,528         |
| Brazilian real                                     | 3,807                               | 306             | —   | 4,113            |
| British pound sterling                             | 5,473                               | 240             | 17  | 5,730            |
| Canadian dollar                                    | 1,638                               | 44              | —   | 1,682            |
| Chilean peso                                       | 473                                 | —               | —   | 473              |
| Chinese yuan renminbi                              | 2,547                               | 4               | —   | 2,551            |
| Colombian peso                                     | 4                                   | —               | —   | 4                |
| Czech koruna                                       | 12                                  | —               | —   | 12               |
| Danish krone                                       | 1,319                               | —               | —   | 1,319            |
| Egyptian pound                                     | 28                                  | 47              | —   | 75               |
| Euro   | 16,690                              | 30              | 42  | 16,762           |
| Hong Kong dollar                                   | 11,329                              | 125             | —   | 11,454           |
| Hungarian forint                                   | 181                                 | 3               | —   | 184              |
| Indian rupee                                       | 3,462                               | —               | —   | 3,462            |
| Indonesian rupiah                                  | 121                                 | 54              | —   | 175              |
| Israeli shekel                                     | 448                                 | 18              | 2   | 468              |
| Japanese yen                                       | 15,921                              | 154             | 655   | 16,730           |
| Malaysian ringgit                                  | 313                                 | 89              | —   | 402              |
| Mexican peso                                       | 1,430                               | 202             | —   | 1,632            |
| Moroccan dirham                                    | 9                                   | —               | —   | 9                |
| New Taiwan dollar                                  | 592                                 | 142             | —   | 734              |
| New Zealand dollar                                 | 102                                 | 178             | —   | 280              |
| New Zimbabwe dollar                                | 578                                 | —               | —   | 578              |
| Pakistan rupee                                     | 61                                  | —               | —   | 61               |
| Peruvian sol                                       | 3                                   | —               | —   | 3                |
| Philippines peso                                   | 724                                 | 73              | —   | 797              |
| Polish zloty                                       | 186                                 | 47              | —   | 233              |
| Qatari riyal                                       | 30                                  | —               | —   | 30               |
| Russian ruble                                      | 15                                  | —               | —   | 15               |
| Saudi Arabian riyal                                | 987                                 | —               | —   | 987              |
| Singapore dollar                                   | 1,560                               | 4               | 26  | 1,590            |
| South African rand                                 | 709                                 | —               | —   | 709              |
| South Korean won                                   | 6,548                               | 335             | —   | 6,883            |
| Swedish krona                                      | 2,245                               | —               | —   | 2,245            |
| Swiss franc  | 2,334                               | —               | —   | 2,334            |
| Thailand baht                                      | —                                   | 1               | —   | 1                |
| Turkish lira                                       | 389                                 | —               | —   | 389              |
| Vietnam dong                                       | 191                                 | —               | —   | 191              |
| Total deposits subject to<br>foreign currency risk | <u>\$ 83,837</u>                    | <u>\$ 2,193</u> | <u>\$ 795</u>                                     | <u>\$ 86,825</u> |

**B. Investments**

At June 30, 2021, the state's investments reported in governmental and business-type activities and fiduciary funds totaled \$315.5 billion, consisting of pooled investments with the State Treasury in the amount of \$37.7 billion and other investments in the amount of \$277.8 billion. The State Treasury also had holdings at June 30, 2021, of \$6.3 billion for discretely presented component units in total. These investments are not reported as part of the primary government and may be different from the amounts reported by some component units due to different reporting periods. Other investments for discretely presented component units, excluding those investments held by SBA, totaled \$26.3 billion.

***Pooled Investments with the State Treasury***

Unless specifically exempted by statute, all cash of the state must be deposited in the State Treasury. The State Treasury, in turn, keeps the funds fully invested to maximize earnings. In addition, the State Treasury may invest funds of any board, association, or entity created by the State Constitution, or by law. As a result, pooled investments with the State Treasury contains deposits from funds and component units of the reporting entity (internal portion) as well as deposits from certain legally separate organizations outside the reporting entity (external portion). The external portion of pooled investments with the State Treasury is reported in a governmental external investment pool.

Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Council per Section 17.575, F.S. The authorized investment types are set forth in Section 17.57, F.S.

Redemptions are on a dollar in/dollar out basis adjusted for distributed income. The fair value of the pooled investments with the State Treasury is determined at fiscal year-end for financial reporting purposes. See Note 1E, Investments, for further detail on fair value.

The State Treasury does not contract with an outside insurer in order to guarantee the value of the portfolio, or the price of shares redeemed.

Per Section 17.61(1), F.S., the State Treasury shall invest all general revenue funds, trust funds, all agency funds of each state agency, and of the judicial branch. As a result, state agencies and the judicial branch are considered involuntary participants in pooled investments with the State Treasury. The total involuntary participation as of June 30, 2021, was \$39.2 billion or 89% of the pool.

At year-end, the condensed financial statements for the Investment Pool maintained by the State Treasury were as follows (dollars in thousands):

**Schedule of Pooled Investments with State Treasury  
Condensed Statement of Fiduciary Net Position  
June 30, 2021**

**ASSETS**

|                          |                   |
|--------------------------|-------------------|
| Current and Other Assets | \$ 47,679,404     |
| Total Assets             | <u>47,679,404</u> |

**LIABILITIES**

|                   |                  |
|-------------------|------------------|
| Other Liabilities | \$ 5,751,396     |
| Total Liabilities | <u>5,751,396</u> |

**NET POSITION**

|  |                      |
|--|----------------------|
| Net position held for Internal Pool Participants | \$ 40,886,829        |
| Net position held for External Pool Participants | <u>1,041,179</u>     |
| Total net position, ending                       | <u>\$ 41,928,008</u> |

**Condensed Statement of Changes of Fiduciary Net Position  
June 30, 2021**

**ADDITIONS**

|   |              |
|---|--------------|
| Net income (loss) from investing activity | \$ (986,786) |
|---|--------------|

**DEDUCTIONS**

|                                |         |
|--------------------------------|---------|
| Distributions paid and payable | 986,786 |
|--------------------------------|---------|

**DEPOSITOR ACTIVITY**

|  |                      |
|--|----------------------|
| Deposits   | 152,875,599          |
| Withdrawals                                      | (143,298,875)        |
| Excess (deficiency) of deposits over withdrawals | <u>9,576,724</u>     |
| Change in net position                           | 9,576,724            |
| Net position, beginning                          | <u>32,351,284</u>    |
| Net position, ending                             | <u>\$ 41,928,008</u> |

The following table provides a summary of the fair value, the number of shares or the principal amount, ranges of interest rates, and maturity dates of each major investment classification (dollars in thousands):

**Schedule of Pooled Investments with State Treasury  
Summary of Investment Holdings**

|   | Par                  | Fair Value           | Range of Interest<br>Rates* | Range of Maturity Dates |
|---|----------------------|----------------------|-----------------------------|-------------------------|
| Commercial paper                                  | \$ 100,000           | \$ 99,998            | 0.04%                       | 7/15/2021               |
| Money market funds                                | 1,025,002            | 1,025,002            | 0.040% - 0.101%             | N/A                     |
| Repurchase agreements                             | 3,983,064            | 3,983,064            | 0.005% - 0.060%             | 7/1/2021 - 7/15/2021    |
| U.S. guaranteed obligations                       | 19,287,973           | 19,328,717           | 0.086% - 8.500%             | 7/21/2021 - 4/01/2065   |
| Federal agencies                                  | 5,073,284            | 5,128,568            | 0.070% - 18.001%            | 7/1/2021 - 11/25/2060   |
| Bonds and notes - domestic                        | 6,726,208            | 6,933,839            | 0.000% - 9.455%             | 7/12/2021 - 9/15/2119   |
| Bonds and notes - international                   | 1,190,503            | 1,243,906            | 0.050% - 9.625%             | 7/20/2021 - 4/20/2055   |
| Federal agencies discounted securities            | 2,833,786            | 2,829,415            | 0.003% - 2.380%             | 7/01/2021 - 3/25/2042   |
| U.S. guaranteed obligations discounted securities | 4,846,411            | 4,828,059            | 0.010% - 2.22%              | 7/01/2021 - 2/15/2045   |
| Commingled STIF                                   | 969,594              | 969,594              | N/A                         | N/A                     |
| Unemployment compensation                         | 858,822              | 858,822              | N/A                         | N/A                     |
| Totals  | <u>\$ 46,894,647</u> | <u>\$ 47,228,984</u> |                             |                         |

\* The coupon rate in effect at June 30, 2021, is reported. If a security is discounted, the purchase yield is reported.

The State Treasury records, as an investment, funds credited to the state's account in the Federal Unemployment Compensation Trust Fund pursuant to Section 904 of the Social Security Act. The fund is drawn upon primarily to pay reemployment assistance benefits. This money is pooled with deposits from other states and is managed by the Federal Government. No disclosures can be made of specific securities owned.



The schedule below discloses the detail of the State Treasury holdings at fair value at June 30, 2021, as well as reconciliation to the basic financial statements (in thousands):

**Schedule of Pooled Investments with State Treasury  
As of June 30, 2021**

| <b>Investment type</b>   | <b>Fair Value</b>           |
|--|-----------------------------|
| Commercial paper   | \$ 99,998                   |
| Money market funds   | 825,888                     |
| U.S. guaranteed obligations                                      | 24,156,776                  |
| Federal agencies   | 7,735,052                   |
| Bonds and notes - domestic                                       | 6,871,554                   |
| Bonds and notes - international                                  | 1,204,910                   |
| Repurchase agreements  | 2,425,000                   |
| Commingled STIF  | 969,594                     |
| Unemployment compensation funds pooled with U. S. Treasury       | 858,822                     |
| Total investments excluding security lending collateral**        | <u>45,147,594</u>           |
| Lending collateral investments:                                  |                             |
| Commercial paper   | —                           |
| Repurchase agreements  | 1,558,064                   |
| Money market funds   | 199,114                     |
| Federal agencies   | 222,931                     |
| Bonds and notes - domestic                                       | 62,285                      |
| Bonds and notes - international                                  | 38,996                      |
| Total lending collateral investments                             | <u>2,081,390</u>            |
| Total investments  | 47,228,984                  |
| Cash on deposit  | 449,767                     |
| Total State Treasury holdings                                    | <u>47,678,751</u>           |
| Adjustments:   |                             |
| Outstanding warrants   | (1,408,537)                 |
| Deposits in transit  | 653                         |
| SPIA Revolving Account*  | (8,378)                     |
| Unsettled securities liability                                   | (2,253,091)                 |
| Reconciled balance, June 30, 2021                                | <u><u>\$ 44,009,398</u></u> |
| Reconciliation to the basic financial statements (in thousands): |                             |
| Unrestricted Pooled investments with State Treasury              |                             |
| Governmental activities  | \$ 31,838,609               |
| Business-type activities   | 2,173,834                   |
| Fiduciary funds  | 3,634,500                   |
| Component units  | 4,128,386                   |
| Component units timing difference                                | 1,650,576                   |
| Total unrestricted pooled investments with State Treasury        | <u>43,425,905</u>           |
| Restricted Pooled investments with State Treasury                |                             |
| Business-type activities   | 98,584                      |
| Component units  | 484,909                     |
| Total restricted pooled investments with State Treasury          | <u>583,493</u>              |
| Total pooled investments with State Treasury                     | <u><u>\$ 44,009,398</u></u> |

\* The SPIA Revolving Account is included as cash and cash equivalent by the agencies.

\*\* This amount excludes the Florida Birth-Related Neurological Injury Compensation Association's (NICA) participation in Treasury's Short Term Investment Fund (STIF). NICA's portion represents less than a tenth of a percent of the total investments held at Treasury.

**Other Investments**

Other investments in various funds of the state are primarily managed by the SBA. The largest of these funds managed by the SBA is the FRS Pension Trust Fund (Defined Benefit Pension Fund), whose total investments represented 74.0% of total other investments at June 30, 2021. Investments in the FRS Investment Plan Trust Fund (Defined Contribution Pension Fund) represents 5.3% of total other investment, while investments in the Florida Hurricane Catastrophe Fund and the Florida Prepaid College Trust Fund represented another 6.0% and 6.3%, respectively, of total other investments. Section 215.47, F.S., allows the SBA to invest funds in a range of instruments, including security lending agreements, reverse repurchase agreements, and alternative investments (including limited partnerships and hedge funds).

The schedule below discloses other investments at fair value at June 30, 2021, as well as reconciliation to the basic financial statements (in thousands):

**Schedule of Other Investments  
As of June 30, 2021**

| Investment types                                       | Carrying Value <sup>1</sup> |                      |                     | Total                 |
|--|-----------------------------|----------------------|---------------------|-----------------------|
|  | FRS Pension Trust Fund      | Other funds          |                     |                       |
|  |                             | Managed by SBA       | Not managed by SBA  |                       |
| Certificates of deposit                                | \$ —                        | \$ 3,208,650         | \$ 1,787            | \$ 3,210,437          |
| Commercial paper                                       | 2,828,161                   | 9,168,078            | —                   | 11,996,239            |
| Money market funds                                     | 55,851                      | 4,196,198            | 1,323               | 4,253,372             |
| Repurchase agreements                                  | 1,000,000                   | 129,000              | —                   | 1,129,000             |
| U.S. guaranteed obligations                            | 17,884,329                  | 18,098,411           | 7,333               | 35,990,073            |
| Federal agencies                                       | 9,467,240                   | 761,372              | 1,612               | 10,230,224            |
| Domestic bonds and notes                               | 9,359,596                   | 6,823,230            | 2,122,083           | 18,304,909            |
| Commingled domestic bonds and notes funds/mutual funds | —                           | 2,738,401            | —                   | 2,738,401             |
| International bonds and notes                          | 3,152,081                   | 2,739,349            | —                   | 5,891,430             |
| International bonds and notes mutual fund              | —                           | 21,102               | —                   | 21,102                |
| Domestic stocks  | 62,378,794                  | 1,065,145            | 86,989              | 63,530,928            |
| Commingled domestic equity funds/mutual funds          | —                           | 8,046,709            | —                   | 8,046,709             |
| International stocks                                   | 39,304,609                  | 667,865              | 11,873              | 39,984,347            |
| Commingled international equity funds/mutual funds     | 7,724,138                   | 3,345,039            | —                   | 11,069,177            |
| Commingled real asset funds                            | —                           | 1,044,057            | 1,089               | 1,045,146             |
| Alternative investments                                | 39,472,450                  | —                    | —                   | 39,472,450            |
| Real estate investments (directly owned)               | 10,663,262                  | —                    | 1,089               | 10,664,351            |
| Commingled real estate investments funds               | 2,273,591                   | —                    | —                   | 2,273,591             |
| Self-Directed brokerage accounts                       | —                           | 1,219,127            | —                   | 1,219,127             |
| Derivative instruments, net: <sup>2</sup>              |                             |                      |                     |                       |
| Forward currency contracts                             | 10,250                      | —                    | —                   | 10,250                |
| Futures (debt and equity)                              | (10,296)                    | —                    | —                   | (10,296)              |
| Option contracts                                       | —                           | —                    | 736                 | 736                   |
| Swap contracts   | 992                         | —                    | —                   | 992                   |
| Mutual funds   | —                           | —                    | 3,653,939           | 3,653,939             |
| Deferred compensation annuities                        | —                           | —                    | 13,427              | 13,427                |
| Total investments excluding lending collateral         | <u>205,565,048</u>          | <u>63,271,733</u>    | <u>5,903,280</u>    | <u>274,740,061</u>    |
| Lending collateral investments:                        |                             |                      |                     |                       |
| Certificates of deposit                                | —                           | 495,577              | —                   | 495,577               |
| Commercial paper                                       | —                           | 548,213              | —                   | 548,213               |
| Money market funds                                     | 1,941,641                   | —                    | —                   | 1,941,641             |
| Repurchase agreements                                  | —                           | 983,200              | —                   | 983,200               |
| Federal agencies                                       | —                           | 50,012               | —                   | 50,012                |
| Domestic bonds and notes                               | 41,740                      | —                    | —                   | 41,740                |
| Total lending collateral investments                   | <u>1,983,381</u>            | <u>2,077,002</u>     | <u>—</u>            | <u>4,060,383</u>      |
| Total investments for all types                        | <u>\$207,548,429</u>        | <u>\$ 65,348,735</u> | <u>\$ 5,903,280</u> | <u>\$ 278,800,444</u> |
| % of total other investments                           | 74.4 %                      | 23.4 %               | 2.2 %               |                       |

<sup>1</sup> Investments of the Local Government Surplus Funds Trust Fund are reported based on amortized cost which approximates fair value. See the Local Government Surplus Funds Trust Fund disclosure on page 81 to obtain investment details of the Local Government Surplus Funds Trust Fund. In addition, investments of the Debt Service Escrowed Fund, which meet the requirements of a legal or in-substance defeasance, are reported at cost.

<sup>2</sup> Refer to Note 2.B.6. for detailed information regarding derivatives.

Reconciliation to the basic financial statements (in thousands):

|   | Governmental activities | Business-type activities | Fiduciary funds       | Component Units <sup>1</sup> | Total                 |
|---|-------------------------|--------------------------|-----------------------|------------------------------|-----------------------|
| Other investments                         | \$ 1,736,793            | \$ 7,451,544             | \$ —                  | \$ 705,923                   | \$ 9,894,260          |
| Restricted investments                    | —                       | 546,118                  | —                     | —                            | 546,118               |
| Long-term investments                     | 34,207                  | 25,869,276               | 240,365,349           | —                            | 266,268,832           |
| Security lending collateral <sup>2</sup>  | —                       | —                        | 1,983,381             | —                            | 1,983,381             |
| Timing and other differences <sup>3</sup> | (56,029)                | (13,272)                 | (86,617)              | 263,771                      | 107,853               |
| Total other investments                   | <u>\$ 1,714,971</u>     | <u>\$ 33,853,666</u>     | <u>\$ 242,262,113</u> | <u>\$ 969,694</u>            | <u>\$ 278,800,444</u> |

<sup>1</sup> The column for Component Units presents investments managed by SBA for Component Units. For presentation of all other investments for Component Units, see the Schedule of Other Investments For Discretely Presented Component Units.

<sup>2</sup> Other investments and Restricted investments for Governmental and Business-type activities include security lending collateral. Refer to Note 2 B Schedule of Other Investments and B(5) Schedule of Other Investments on Loan Under Security Lending Agreements for additional information.

<sup>3</sup> Differences between participant balances posted and actual investments. Some Component Units have fiscal year ends other than the state's year end of June 30, 2021.

Certain investments included in the above schedule were pledged as collateral with the SBA's futures and swaps clearing counterparties. These investments are presented below (in thousands):

**FRS Pension Trust Fund**  
**Securities Pledged as Collateral for Futures and Swaps Contracts**  
**As of June 30, 2021**

| Investment Type             | Fair Value        |
|-----------------------------|-------------------|
| U.S. guaranteed obligations | \$ 161,993        |
| Total                       | <u>\$ 161,993</u> |

In addition, cash and foreign currency required to open futures and swap contracts (i.e., initial margin) in the FRS Pension Trust Fund may be pledged as collateral with the SBA's futures and swap counterparties. Pursuant to these types of contracts, and also pending foreign currency contracts and commitments to purchase (TBAs), the FRS Pension Trust Fund agrees to receive or pay to the broker an amount of cash equal to the daily fluctuation in the value of the contract. Such receivables and payables are known as variation margin. All initial and variation margin amounts held by counterparties, and the variation margins held by the FRS Pension Trust Fund as of June 30, 2021, are included in "Accounts receivable" and in "Accounts payable and accrued liabilities", respectively, on the Statement of Fiduciary Net Position. These amounts are presented in the table below (in thousands):

**FRS Pension Trust Fund**  
**Cash and Foreign Currency Pledged as Collateral for Futures and Swaps Contracts**  
**As of June 30, 2021**

|  | Fair Value       |
|--|------------------|
| Margin receivable from counterparties: |                  |
| Futures contracts                      | \$ 19,230        |
| Swap contracts                         | 19,328           |
| Foreign currency contracts             | 1,060            |
| Commitments to purchase (TBAs)         | 1,988            |
| Total margin receivable                | <u>\$ 41,606</u> |
| Margin payable to counterparties:      |                  |
| Futures contracts                      | \$ 10,910        |
| Swap contracts                         | 12,673           |
| Foreign currency contracts             | 5,600            |
| Total margin payable                   | <u>\$ 29,183</u> |

The FRS Pension Trust Fund also held short positions in investments at June 30, 2021. Short investment positions are reported as liabilities on the Statement of Fiduciary Net Position. The schedule below presents the short investment positions at fair value at June 30, 2021 (in thousands):

**FRS Pension Trust Fund  
Short Investment Position  
As of June 30, 2021**

| Investment Type             | Fair Value  |
|-----------------------------|-------------|
| U.S. guaranteed obligations | \$ (837)    |
| Federal agencies            | (75,747)    |
| Total                       | \$ (76,584) |

The SBA issued a separate report (financial statements and notes) pertaining to the Local Government Surplus Funds Trust Fund (an external investment pool) within the state's Investment Trust Fund for the period ended June 30, 2021. This report may be obtained from the Chief Operating & Financial Officer, State Board of Administration of Florida, 1801 Hermitage Boulevard, Suite 101, Tallahassee, Florida 32308, (850) 488-4406.

**Component Units**

The schedule below discloses other investments reported at fair value, as of June 30, 2021, for discretely presented component units and a reconciliation to the basic financial statements (in thousands). Those investments held with the State Treasury as of June 30, 2021, are excluded.

**Schedule of Other Investments  
For Discretely Presented Component Units  
As of June 30, 2021**

| Investment type   | Fair Value    |
|---|---------------|
| Certificates of deposit   | \$ 30,860     |
| Commercial paper  | 33,576        |
| Repurchase agreements   | 521           |
| Money market funds  | 163,105       |
| U.S. guaranteed obligations                                     | 3,689,697     |
| Federal agencies  | 1,715,096     |
| Domestic bonds & notes  | 7,750,338     |
| International bonds & notes                                     | 708,778       |
| Domestic stocks   | 1,867,101     |
| International stocks  | 1,037,828     |
| Real estate investments   | 88,657        |
| Mutual funds  | 2,803,261     |
| Investment agreements   | 6,387,503     |
| Total other investments for all types                           | \$ 26,276,321 |
| Reconciliation of fair value to the basic financial statements: |               |
| Other investments   | \$ 18,341,217 |
| Restricted investments  | 8,641,027     |
| Less SBA Investments*   | (705,923)     |
| Total other investment for component units                      | \$ 26,276,321 |

\* Investment types for component units with investments held by SBA are disclosed on the Schedule of Other Investments on page 79.

At June 30, 2021, 60.72% of total other investments for discretely presented component units belonged to the following major component units: Florida Housing Finance Corporation, University of Florida, and Citizens Property Insurance Corporation.

## 1. Credit Risk and Concentration of Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of the state's investment in a single issuer.

### *Pooled Investments with the State Treasury*

The State Treasury follows the investment guidelines set forth in Section 17.57, F.S., for reducing exposure to investment credit risk. The State Treasury's rated debt investments as of June 30, 2021, were rated by the nationally recognized statistical rating organizations (NRSRO) Standard and Poor's (S&P) and Moody's, and the ratings are presented below using the applicable rating scale (in thousands):

#### State Treasury Credit Quality Ratings As of June 30, 2021

| S&P rating <sup>2</sup> | Moody's rating <sup>2</sup> | Total <sup>1</sup>   | Commercial paper            | Federal agencies    | Domestic bonds & notes | International bonds & notes | Repurchase agreements <sup>3</sup> | Money Market funds  |
|-------------------------|-----------------------------|----------------------|-----------------------------|---------------------|------------------------|-----------------------------|------------------------------------|---------------------|
| AAAm                    |                             | \$ 825,888           | \$ —                        | \$ —                | \$ —                   | \$ —                        | \$ —                               | \$ 825,888          |
| AAA                     |                             | 1,194,810            | —                           | 4,511               | 856,460                | 134,725                     | —                                  | 199,114             |
| AA                      |                             | 8,956,132            | —                           | 7,455,700           | 515,351                | 112,411                     | 872,670                            | —                   |
| A                       |                             | 2,903,589            | —                           | —                   | 2,251,778              | 651,811                     | —                                  | —                   |
| A-1                     |                             | 99,998               | 99,998                      | —                   | —                      | —                           | —                                  | —                   |
| BBB                     |                             | 1,825,299            | —                           | —                   | 1,662,352              | 162,947                     | —                                  | —                   |
| BB                      |                             | 29,473               | —                           | —                   | 20,659                 | 8,814                       | —                                  | —                   |
| B                       |                             | 7,029                | —                           | —                   | 7,029                  | —                           | —                                  | —                   |
| Below B                 |                             | 7                    | —                           | —                   | 7                      | —                           | —                                  | —                   |
|                         | Aaa                         | 928,259              | —                           | —                   | 907,705                | 20,554                      | —                                  | —                   |
|                         | Aa                          | 108,468              | —                           | —                   | 108,468                | —                           | —                                  | —                   |
|                         | A                           | 130,662              | —                           | —                   | 126,564                | 4,098                       | —                                  | —                   |
|                         | Baa                         | 424,815              | —                           | —                   | 351,740                | 73,075                      | —                                  | —                   |
|                         | Ba                          | 71,814               | —                           | —                   | 53,768                 | 18,046                      | —                                  | —                   |
|                         | B                           | —                    | —                           | —                   | —                      | —                           | —                                  | —                   |
|                         | Below B                     | 14                   | —                           | —                   | 14                     | —                           | —                                  | —                   |
| Not Rated               | Not Rated                   | 3,052,141            | —                           | 497,772             | 71,944                 | 57,425                      | 2,425,000                          | —                   |
|                         |                             | <u>20,558,398</u>    | <u>\$ 99,998</u>            | <u>\$ 7,957,983</u> | <u>\$ 6,933,839</u>    | <u>\$ 1,243,906</u>         | <u>\$ 3,297,670</u>                | <u>\$ 1,025,002</u> |
| Not Rated <sup>4</sup>  | Not Rated <sup>4</sup>      | 24,156,776           | U.S. guaranteed obligations |                     |                        |                             |                                    |                     |
| Not Rated               | Not Rated                   | 969,594              | Commingled STIF             |                     |                        |                             |                                    |                     |
| Not Rated               | Not Rated                   | 685,394              | Repurchase agreements       |                     |                        |                             |                                    |                     |
|                         |                             | <u>\$ 46,370,162</u> | <sup>1</sup>                |                     |                        |                             |                                    |                     |

<sup>1</sup> The remaining \$858,822 (in thousands) reported for Pooled Investments with State Treasury is comprised primarily of investments with the U.S. Treasury Unemployment Compensation Funds Pool.

<sup>2</sup> Long-term ratings are presented except for "A-1," which is a short-term rating for S&P.

<sup>3</sup> Collateral underlying the repurchase agreements was not rated.

<sup>4</sup> U.S. guaranteed obligations and collateral for repurchase agreements which are explicitly guaranteed by the U.S. government do not require disclosure of credit quality.

The State Treasury's investment policies allow for unlimited investments in U.S. obligations and certain Federal Agency obligations. For other investments, the investment policies address concentration of credit risk by placing limits on amounts invested per issuer (taking into account the maturity date and duration of the investment). In addition, the policies also address limits on certain investments by credit ratings. Limits on amounts invested are expressed in dollar amounts per issuer and also in total amounts per investment type as a percentage of the investment pool's market value. As of June 30, 2021, more than five percent of the State Treasury's investment pool is invested in the Federal Home Loan Bank System (FHLB) and the Federal National Mortgage Association (FNMA). These investments are approximately 6 percent, and 6.5 percent of the State Treasury's investments pool, respectively.

### ***Other Investments***

The SBA, in compliance with Section 215.47, F.S., has adopted certain investment policies with regard to credit risk of debt securities. Investment policies vary by fund or portfolio. Below are the investment policies and credit risk disclosures for the FRS Pension Trust Fund, which constitutes the primary portion of other investments.

FRS Pension Trust Fund – Investments are generally managed through individual portfolios within various asset classes, as listed below. Some of the individual portfolios have slightly different restrictions on credit quality.

*Short-term Portfolio* – Securities must be high quality at the time of purchase. For short-term investment ratings, this is defined as the highest applicable rating from one of the NRSROs. For long-term investment ratings, this is defined as a minimum rating of A from one of the NRSROs. Securities of a single issuer are generally limited to 5% of the market value of the portfolio (excluding U.S. Treasuries and Agencies).

Generally, securities in other major portfolios, such as the Mortgage Index Portfolio, Intermediate Aggregate Less MBS Index Portfolio and the Core Portfolio, should be rated investment grade by at least one of the NRSROs at the time of purchase allowing a very small allocation to below investment grade (down to BB-/Ba3) for the Core Portfolio. Securities for a single issuer are generally limited to 5% of the fair value of the portfolio (excluding U.S. Treasuries and Agencies).

*Mortgage Index Portfolio* – Securities are generally limited to those issued by the Government National Mortgage Association (GNMA), FNMA, and FHLMC. No specific credit rating criteria are listed.

*Intermediate Aggregate Less MBS Index Portfolio and the Core Portfolio* – These portfolios allow U.S. Treasuries, U.S. Government agencies, corporates, mortgage and asset backed securities, foreign sovereign debt, and municipals.

*Lending Portfolios* – Under investment policy guidelines in effect for the FRS Pension Trust Fund, eligible cash collateral investments are:

- Tri-party qualified repurchase agreement transactions collateralized by U.S. Treasury bills, notes, bonds, and/or strips, U.S. Government Agency securities, U.S. Government Agency mortgage-backed securities, and U.S. equity securities. Collateral consisting of U.S. Treasury and Government Agencies must maintain a market value of at least 102% of the market value of the securities subject to being repurchased. Collateral consisting of U.S. equities must maintain a market value of at least 110% of the market value of the securities subject to being repurchased,
- Money market mutual funds regulated by SEC rule 2a-7 and rated the highest applicable rating by at least one NRSRO and
- U.S. Treasury bills, notes, and bonds.

Security lending investments that were purchased prior to the policy guidelines established in December 2008 are being held to maturity in existing lending portfolios.

Lawton Chiles Endowment Fund – Policy guidelines allow cash collateral to be invested only in tri-party repurchase agreements and certain government money market funds, similar to those allowed for the FRS Pension Fund.

Florida Prepaid College Program Lending Program – Short-term obligations should be limited to obligations rated in the highest rating category by at least two NRSROs or, if only rated by one NRSRO, rated at the time of purchase in the highest rating category by that NRSRO (S&P A-1, Moody's P-1, Fitch F1 or equivalent). A "short-term obligation" means any eligible security or instrument (other than a repurchase agreement) which has an original maturity of 397 days or less at the time of purchase or has a put that entitles the holder to receive the principal amount at specified intervals not exceeding 397 days. With respect to bonds and other long-term obligations, investment is limited to obligations backed by the United States Government

and have a maximum maturity of 762 days. A “long-term obligation” means any eligible security or instrument (other than a repurchase agreement) which has a remaining maturity of greater than 397 days at the time of purchase and is not subject to a demand feature in 397 days or less.

The FRS Pension Trust Fund did not hold any investments with a single issuer representing 5% or more of the fund’s fair market value at June 30, 2021. The schedule below discloses credit quality ratings on investments held in the FRS Pension Trust Fund at June 30, 2021 (in thousands):

**FRS Pension Trust Fund  
Credit Quality Ratings  
As of June 30, 2021**

| Credit Rating <sup>1</sup>               |         | Total <sup>2</sup>    | Commercial paper    | Money market funds  | Repurchase agreements | Federal agencies <sup>4</sup> | Domestic bonds & notes | International bonds & notes |
|--|---------|-----------------------|---------------------|---------------------|-----------------------|-------------------------------|------------------------|-----------------------------|
| S&P                                      | Moody's |                       |                     |                     |                       |                               |                        |                             |
| A-1/AAAm                                 |         | \$ 4,582,655          | \$ 2,585,163        | \$ 1,997,492        | \$ —                  | \$ —                          | \$ —                   | \$ —                        |
| A-2                                      |         | 242,998               | 242,998             | —                   | —                     | —                             | —                      | —                           |
| AAA                                      |         | 1,218,999             | —                   | —                   | —                     | —                             | 625,768                | 593,231                     |
| AA                                       |         | 920,978               | —                   | —                   | —                     | 507,901                       | 293,899                | 119,178                     |
| A  |         | 2,195,070             | —                   | —                   | —                     | —                             | 1,573,028              | 622,042                     |
| BBB                                      |         | 4,774,611             | —                   | —                   | —                     | —                             | 3,945,578              | 829,033                     |
| BB                                       |         | 433,757               | —                   | —                   | —                     | —                             | 312,854                | 120,903                     |
| B  |         | 138,347               | —                   | —                   | —                     | —                             | 99,671                 | 38,676                      |
| CCC                                      |         | 25,546                | —                   | —                   | —                     | —                             | 19,229                 | 6,317                       |
| CC                                       |         | 9,914                 | —                   | —                   | —                     | —                             | 9,914                  | —                           |
| D  |         | 1,191                 | —                   | —                   | —                     | —                             | 1,191                  | —                           |
|  | Aaa     | 1,281,554             | —                   | —                   | —                     | —                             | 918,156                | 363,398                     |
|  | Aa      | 126,895               | —                   | —                   | —                     | —                             | 97,992                 | 28,903                      |
|  | A       | 195,568               | —                   | —                   | —                     | —                             | 156,233                | 39,335                      |
|  | Baa     | 569,461               | —                   | —                   | —                     | —                             | 418,398                | 151,063                     |
|  | Ba      | 252,308               | —                   | —                   | —                     | —                             | 180,328                | 71,980                      |
|  | B       | 65,592                | —                   | —                   | —                     | —                             | 54,727                 | 10,865                      |
|  | Caa     | 16,364                | —                   | —                   | —                     | —                             | 9,463                  | 6,901                       |
|  | Ca      | 199                   | —                   | —                   | —                     | —                             | 199                    | —                           |
| NR                                       | NR      | 10,428,149            | —                   | —                   | 633,846               | 8,959,339                     | 684,708                | 150,256                     |
| Total ratable investments                |         | <u>27,480,156</u>     | <u>\$ 2,828,161</u> | <u>\$ 1,997,492</u> | <u>\$ 633,846</u>     | <u>\$ 9,467,240</u>           | <u>\$ 9,401,336</u>    | <u>\$ 3,152,081</u>         |
| Ratings not Applicable:                  |         |                       |                     |                     |                       |                               |                        |                             |
| Repurchase agreements <sup>3</sup>       |         | 366,154               |                     |                     |                       |                               |                        |                             |
| U.S. guaranteed obligations <sup>3</sup> |         | 17,884,329            |                     |                     |                       |                               |                        |                             |
| Domestic stocks                          |         | 62,378,794            |                     |                     |                       |                               |                        |                             |
| International stocks                     |         | 39,304,609            |                     |                     |                       |                               |                        |                             |
| Commingled international equity funds    |         | 7,724,138             |                     |                     |                       |                               |                        |                             |
| Alternative investments                  |         | 39,472,450            |                     |                     |                       |                               |                        |                             |
| Real estate (directly owned)             |         | 10,663,262            |                     |                     |                       |                               |                        |                             |
| Commingled real estate investment funds  |         | 2,273,591             |                     |                     |                       |                               |                        |                             |
| Derivative instruments, net:             |         |                       |                     |                     |                       |                               |                        |                             |
| Forward currency contracts               |         | 10,250                |                     |                     |                       |                               |                        |                             |
| Futures (debt and equity)                |         | (10,296)              |                     |                     |                       |                               |                        |                             |
| Swaps                                    |         | 992                   |                     |                     |                       |                               |                        |                             |
| Total investments                        |         | <u>\$ 207,548,429</u> |                     |                     |                       |                               |                        |                             |

<sup>1</sup> S&P ratings were primarily used. If S&P did not provide a rating or did not provide the rating with the greatest degree of credit risk, then Moody's ratings were used. If neither rating agency issued a rating, the security was listed as "NR"(not rated). Long-term ratings are presented except for commercial paper and money market funds.

<sup>2</sup> All FRS investments are included in this schedule, including security lending collateral investments.

<sup>3</sup> U.S. guaranteed obligations and repurchase agreements collateralized by securities explicitly guaranteed by the U.S. Government do not require disclosure of credit quality.

<sup>4</sup> Federal agency TBAs and mortgage-backed securities are classified as "NR" because they do not have explicit credit ratings on individual securities.

All futures, and swaps contracts held by the FRS Pension Trust Fund at June 30, 2021, were exchange traded, therefore minimizing counterparty credit risk through the use of futures and swaps clearing merchants and clearing houses. The FRS Pension Trust Fund may enter into contracts that allow for close-out netting with certain counterparties. In the event of default or early termination, the contract permits the non-defaulting party the right to close-out all transactions in a single net settlement to one net amount payable by one counterparty to the other. The aggregate fair value of non-exchange traded derivatives subject to close-out netting totaled \$10.2 million as of June 30, 2021.

Counterparty credit ratings related to credit risk for forward foreign currency exchange contracts held in the FRS Pension Trust Fund at June 30, 2021, are listed below (in thousands):

**FRS Pension Trust Fund**  
**Forward Foreign Currency Exchange Contract Counterparty Credit Ratings**  
**As of June 30, 2021**

| Counterparty Credit Rating (Long /Short) <sup>1</sup> |         | Receivable<br>Fair Value | Payable<br>Fair Value | Net Unrealized<br>Gain (Loss) <sup>2</sup> |
|---|---------|--------------------------|-----------------------|--|
| S&P   | Moody's |                          |                       |  |
| AA/A-1  |         | \$ 110                   | \$ (29)               | \$ 81                                      |
| A/A-1   |         | 34,240                   | (24,107)              | 10,133                                     |
|   | NR/P-1  | 141                      | (105)                 | 36   |
| Total   |         | <u>\$ 34,491</u>         | <u>\$ (24,241)</u>    | <u>\$ 10,250</u>                           |

<sup>1</sup> S&P ratings were primarily used. If S&P did not provide a rating or did not provide the rating with the greatest degree of credit risk, then Moody's ratings were used. If neither rating agency issued a rating, the security was listed as "NR" (not rated).

<sup>2</sup> Forward currency exchange contracts are reported net, as an investment derivative on the Statement of Fiduciary Net Position.

Counterparty credit ratings related to credit risk for spot currency exchange contracts held in the FRS Pension Trust Fund at June 30, 2021, are listed below (in thousands):

**FRS Pension Trust Fund**  
**Spot Foreign Currency Exchange Contract Counterparty Credit Ratings**  
**As of June 30, 2021**

| Counterparty Credit Rating (Long /Short) <sup>1</sup> |         | Receivable<br>Fair Value | Payable<br>Fair Value | Net Unrealized<br>Gain (Loss) |
|---|---------|--------------------------|-----------------------|-------------------------------|
| S&P   | Moody's |                          |                       |                               |
| AA/A-1  |         | \$ 10,273                | \$ (10,278)           | \$ (5)                        |
| A/A-1   |         | 259,195                  | (259,891)             | (696)                         |
|   | A/P-1   | 384                      | (384)                 | —                             |
| NR  | NR      | 74,370                   | (74,375)              | (5)                           |
|   | Total   | <u>\$ 344,222</u>        | <u>\$ (344,928)</u>   | <u>\$ (706)</u>               |

<sup>1</sup> S&P or Moody ratings were primarily used. If S&P did not provide a rating or did not provide the rating with the greatest degree of credit risk, then Moody's ratings were used. If neither rating agency issued a rating, the security was listed as "NR" (not rated).



The schedule below discloses credit quality ratings on investments held in all funds managed by the SBA (except the FRS Pension Trust Fund) at June 30, 2021, (in thousands):

**All SBA Managed Funds (except FRS Pension Trust Fund)  
Credit Quality Ratings  
As of June 30, 2021**

| Credit Rating <sup>1</sup>                         |         | Total <sup>2</sup> | Certificates of deposit | Commercial paper | Money market funds | Repurchase agreements | Federal agencies | Domestic bonds and notes <sup>3</sup> | International bonds and notes |
|--|---------|--------------------|-------------------------|------------------|--------------------|-----------------------|------------------|---------------------------------------|-------------------------------|
| S&P  | Moody's |                    |                         |                  |                    |                       |                  |                                       |                               |
| AAAm   |         | \$ 3,118,354       | \$ —                    | \$ —             | \$ 3,118,354       | \$ —                  | \$ —             | \$ —                                  | \$ —                          |
| A-1  |         | 9,696,754          | —                       | 9,696,754        | —                  | —                     | —                | —                                     | —                             |
| AAA  |         | 586,272            | —                       | —                | —                  | 472                   | —                | 510,814                               | 74,986                        |
| AA   |         | 2,806,201          | —                       | —                | —                  | 38,852                | 88,093           | 1,862,300                             | 816,956                       |
| A  |         | 3,347,351          | —                       | —                | —                  | 5,894                 | —                | 1,854,959                             | 1,486,498                     |
| BBB  |         | 1,947,179          | —                       | —                | —                  | 109,510               | —                | 1,580,662                             | 257,007                       |
| BB   |         | 26,373             | —                       | —                | —                  | —                     | —                | 16,560                                | 9,813                         |
| B  |         | 3,605              | —                       | —                | —                  | —                     | —                | 3,605                                 | —                             |
|  | Aaa     | 205,116            | —                       | —                | —                  | 302                   | —                | 175,607                               | 29,207                        |
|  | Aa      | 33,150             | —                       | —                | —                  | —                     | —                | 29,322                                | 3,828                         |
|  | A       | 426,625            | —                       | —                | —                  | 549                   | —                | 380,428                               | 45,648                        |
|  | Baa     | 232,897            | —                       | —                | —                  | 17,802                | —                | 205,629                               | 9,466                         |
|  | Ba      | 79,281             | —                       | —                | —                  | —                     | —                | 77,419                                | 1,862                         |
| NR   | NR      | 8,546,988          | 3,704,227               | 19,537           | 1,077,844          | 132,583               | 723,291          | 2,864,326                             | 25,180                        |
| Total ratable investments                          |         | 31,056,146         | \$ 3,704,227            | \$ 9,716,291     | \$ 4,196,198       | \$ 305,964            | \$ 811,384       | \$ 9,561,631                          | \$ 2,760,451                  |
| Ratings not applicable                             |         |                    |                         |                  |                    |                       |                  |                                       |                               |
| Repurchase agreements <sup>4</sup>                 |         | 474,236            |                         |                  |                    |                       |                  |                                       |                               |
| Repurchase agreement(collateralized by stocks)     |         | 332,000            |                         |                  |                    |                       |                  |                                       |                               |
| U.S. guaranteed obligations <sup>4</sup>           |         | 18,098,411         |                         |                  |                    |                       |                  |                                       |                               |
| Domestic stocks                                    |         | 1,065,145          |                         |                  |                    |                       |                  |                                       |                               |
| Commingled domestic equity funds/mutual funds      |         | 8,046,709          |                         |                  |                    |                       |                  |                                       |                               |
| International stocks                               |         | 667,865            |                         |                  |                    |                       |                  |                                       |                               |
| Commingled international equity fund//mutual funds |         | 3,345,039          |                         |                  |                    |                       |                  |                                       |                               |
| Commingled real asset funds                        |         | 1,044,057          |                         |                  |                    |                       |                  |                                       |                               |
| Self-directed brokerage accounts                   |         | 1,219,127          |                         |                  |                    |                       |                  |                                       |                               |
| Total investments                                  |         | \$ 65,348,735      |                         |                  |                    |                       |                  |                                       |                               |

<sup>1</sup> S&P ratings were primarily used. If S&P did not provide a rating or did not provide the rating with the greatest degree of credit risk, then Moody's ratings were used. If neither rating agency issued a rating, the security was listed as "NR"(not rated). Long-term ratings are presented except for commercial paper and money market funds.

<sup>2</sup> All investments are included in this schedule, including security lending collateral investments. Fair value is presented for all investments, except for repurchase agreements and money market funds, which are presented at cost.

<sup>3</sup> These columns include several commingled domestic bonds and notes funds/mutual funds and one international bonds and notes mutual fund with fair values of approximately \$2.5 billion and \$222.7 million, respectively, that do not carry credit ratings.

<sup>4</sup> U.S. guaranteed obligations and collateral for repurchase agreements which are explicitly guaranteed by the U.S. government, do not require disclosure of credit quality.

The Florida Prepaid Investment Plan held investments with the FNMA (5.82%) in excess of 5% of the Florida Prepaid Investment Plan's fair value.

**Component Units**

Investment policies with regard to credit risk of debt securities vary from component unit to component unit. In addition, investment policies vary among Universities' direct support organizations. Investment policies may be obtained separately from component units. Presented below are reported credit quality ratings for debt securities of major component units (in thousands). Amounts shown below represent only that portion of debt investments required to be disclosed by component units reporting under the GASB reporting model.

| Component Unit*                                | Major Component Units<br>Credit Quality Ratings<br>As of June 30, 2021 |                     |                    |                   |                             |                   |                     | S&P rating  |
|--|--|---------------------|--------------------|-------------------|-----------------------------|-------------------|---------------------|-------------|
|  | Federal agencies   | Bonds & notes       | Money market funds | Bond mutual funds | U.S. guaranteed obligations | Other investments | Total               |             |
| Florida Housing Finance Corporation (FHFC)     | \$ —   | \$ 76,483           | \$ —               | \$ —              | \$ —                        | \$ —              | \$ 76,483           | AAA-AAA+    |
| FHFC (continued)                               | —  | 18,408              | —                  | —                 | —                           | 8,969             | \$ 27,377           | AAA-A+      |
| FHFC (continued)                               | —  | 26,712              | —                  | —                 | —                           | —                 | 26,712              | AAA-A-      |
| FHFC (continued)                               | —  | 127,783             | —                  | —                 | —                           | —                 | 127,783             | AAA-BBB+    |
| FHFC (continued)                               | 71,782   | —                   | —                  | —                 | 78,521                      | —                 | 150,303             | AA+         |
| University of Florida (UF)                     | —  | 10,789              | 4,724              | 71,998            | —                           | —                 | 87,511              | AAA         |
| UF (continued)                                 | 4,420  | 516                 | —                  | 63,684            | —                           | —                 | 68,620              | AA          |
| UF (continued)                                 | —  | 3,789               | —                  | 32,868            | —                           | —                 | 36,657              | A           |
| UF (continued)                                 | 1,737  | 133,719             | 15,091             | 38,795            | —                           | —                 | 189,342             | Less than A |
| Citizens Property Insurance Corporation (CPIC) | 953,245  | —                   | —                  | —                 | 1,591,065                   | —                 | 2,544,310           | AA+         |
| CPIC (continued)                               | —  | 659,895             | —                  | —                 | —                           | —                 | 659,895             | A+          |
| CPIC (continued)                               | —  | 5,532,812           | —                  | —                 | —                           | —                 | 5,532,812           | A           |
| <b>Total Investments</b>                       | <b>\$ 1,031,184</b>  | <b>\$ 6,590,906</b> | <b>\$ 19,815</b>   | <b>\$ 207,345</b> | <b>\$ 1,669,586</b>         | <b>\$ 8,969</b>   | <b>\$ 9,527,805</b> |             |

\* State of Florida major component units do not have any investments subject to concentration of credit risk.

## 2. Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the state will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

### *Pooled Investments with the State Treasury*

The State Treasury's custodial risk policy states that securities must be held in an account in the state's name. As required by negotiated trust and custody contracts, many of the state's investments were held in the state's name by the Treasury's custodial financial institution at June 30, 2021. Investments that were uninsured and unregistered, and held by the counterparty, or by its trust department but not in the state's name, included the following (in thousands):

**State Treasury  
Custodial Credit Risk  
As of June 30, 2021**

|                                       | <u>Fair value</u>   |
|---------------------------------------|---------------------|
| Invested security lending collateral: |                     |
| Repurchase agreements                 | \$ 1,558,064        |
| Money market funds                    | 199,114             |
| Federal agencies                      | 222,931             |
| Bonds and notes - domestic            | 62,285              |
| Bonds and notes - international       | 38,996              |
| Total                                 | <u>\$ 2,081,390</u> |

### *Other Investments*

The SBA's custodial credit risk policy states that custodial credit risk will be minimized through the use of trust accounts maintained at top tier third party custodian banks. To the extent possible, negotiated trust and custody contracts shall require that all deposits, investments, and collateral be held in accounts in the SBA's name, or in the case of certain foreign investments, in an omnibus client account, but separate and apart from the assets of the custodian banks. This policy applies to investments evidenced by cash or securities, and does not apply to investments evidenced by contractual agreements such as alternative or real estate investments, cleared derivative instruments (futures, options and swaps), external investment pools or open-ended mutual funds. These types of investments are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. As required by negotiated trust and custody contracts, many of the state's investments were held in the state's name or in the case of certain foreign investments, in an omnibus client account, by the SBA's custodial financial institutions at June 30, 2021. Investments that were uninsured and unregistered, with securities held by the counterparty, or by its trust department, but not in the SBA's name, included the following (in thousands):

**Other Investments with SBA  
Custodial Credit Risk  
As of June 30, 2021**

|                                       | <u>FRS Pension<br/>Trust Fund</u> | <u>Other funds</u>  |
|---------------------------------------|-----------------------------------|---------------------|
| Invested security lending collateral: |                                   |                     |
| Certificates of deposit               | \$ —                              | \$ 495,577          |
| Commercial paper                      | —                                 | 548,213             |
| Repurchase agreements                 | —                                 | 983,200             |
| Federal agencies                      | —                                 | 50,012              |
| Domestic bonds and notes              | 41,740                            | —                   |
| Total                                 | <u>\$ 41,740</u>                  | <u>\$ 2,077,002</u> |

**Component Units**

Component units manage their exposure to custodial credit risk through various investment policies. These policies may be obtained separately from component units. Presented below is the applicable custodial credit risk information for a major component unit (in thousands):

| <b>Major Component Unit<br/>Custodial Credit Risk<br/>As of June 30, 2021</b> |            |
|---|------------|
| Component unit / Investment type  | Fair value |
| University of Florida   |            |
| Federal agencies  | \$ 6,157   |
| Bonds and notes   | 15,321     |
| Total   | \$ 21,478  |

**3. Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of debt investments.

***Pooled Investments with the State Treasury***

Through its investment policy, the State Treasury manages its exposure to interest rate risk by limiting either the maturities or durations of the various investment strategies used for the investment pool. The maximum effective weighted duration allowed is in the Long Duration portfolio: six (6) years or the benchmark's effective duration if higher. In addition, the security lending portfolio manages exposure to interest rate risk by limiting the maximum weighted average maturity gap. The maximum weighted average maturity gap is defined as the difference between the weighted average days to maturity of the portfolio minus the weighted average days to maturity of the liabilities (loans). The maximum weighted average maturity gap for security lending portfolios is 30 days.

Presented below is the interest rate risk table for the debt investments with the State Treasury (in thousands). Investment types related to debt portfolios are presented using effective weighted duration. Investment types related to the security lending collateral portfolio are presented using weighted average maturity.

**Debt Investments  
As of June 30, 2021**

| Investment type  | Fair value           | Effective weighted duration (in years) | Security Lending Market Value | Weighted average maturity (in days) |
|--|----------------------|--|-------------------------------|-------------------------------------|
| Commercial paper   | \$ 99,998            | 0.04                                   | \$ —                          | N/A                                 |
| Money market funds   | 825,888              | 0.23                                   | 199,114                       | 1.00                                |
| Repurchase agreements  | 2,425,000            | 0.01                                   | 1,558,064                     | 1.00                                |
| U.S. guaranteed obligations:                                     |                      |  |                               |                                     |
| U.S. Treasury bonds and notes                                    | 18,767,747           | 2.36                                   | —                             | N/A                                 |
| U.S. Treasury strips   | 35,026               | 18.92                                  | —                             | N/A                                 |
| U.S. Treasury bills  | 4,793,034            | 0.25                                   | —                             | N/A                                 |
| GNMA mortgage-backed pass-through                                | 314,403              | 4.49                                   | —                             | N/A                                 |
| GNMA TBA pass-through  | 50,369               | 5.16                                   | —                             | N/A                                 |
| GNMA collateralized mortgage obligations (CMO's)                 | 28,159               | 3.08                                   | —                             | N/A                                 |
| GNMA CMO's - interest only                                       | 13,236               | 2.81                                   | —                             | N/A                                 |
| SBA asset-backed   | 154,802              | 3.86                                   | —                             | N/A                                 |
| Federal agencies:  |                      |  | 222,931                       | 3.95                                |
| Discount notes   | 2,829,355            | 0.21                                   | —                             | N/A                                 |
| Unsecured bonds & notes  | 1,038,040            | 0.66                                   | —                             | N/A                                 |
| Mortgage-backed pass-through                                     | 3,036,019            | 4.27                                   | —                             | N/A                                 |
| TBA mortgage-backed pass-through                                 | 343,282              | 4.53                                   | —                             | N/A                                 |
| Mortgage-backed CMO's  | 481,542              | 3.28                                   | —                             | N/A                                 |
| Mortgage-backed CMO's - principal only                           | 60                   | 3.27                                   | —                             | N/A                                 |
| Mortgage-backed CMO's - interest only                            | 6,754                | 4.12                                   | —                             | N/A                                 |
| Domestic bonds and notes:  |                      |  | 62,285                        | 27.72                               |
| Corporate  | 4,632,684            | 6.45                                   | —                             | N/A                                 |
| Corporate asset-backed   | 641,384              | 1.62                                   | —                             | N/A                                 |
| Non-government backed CMO's & CMBS*                              | 1,106,989            | 3.75                                   | —                             | N/A                                 |
| Non-government backed CMO's & CMBS* - interest only              | 9,612                | 3.13                                   | —                             | N/A                                 |
| Municipal/provincial   | 480,885              | 7.08                                   | —                             | N/A                                 |
| International bonds and notes:                                   |                      |  | 38,996                        | 41.13                               |
| Government & Agency  | 225,500              | 3.89                                   | —                             | N/A                                 |
| Corporate  | 979,410              | 3.86                                   | —                             | N/A                                 |
| Commingled STIF  | 969,594              | —                                      | —                             | N/A                                 |
| Futures contracts - long***                                      | —                    | 2.53                                   | —                             | N/A                                 |
| Futures contracts - short***                                     | —                    | 3.25                                   | —                             | N/A                                 |
| Total portfolio effective duration and weighted average maturity |                      | 2.47                                   |                               | 2.87                                |
| Total debt investments**   | <u>\$ 44,288,772</u> |  | <u>\$ 2,081,390</u>           |                                     |

\* Commercial Mortgage-Backed Securities (CMBS).

\*\* The remaining \$858,822(in thousands) reported for Pooled Investments with State Treasury is comprised of investments with the U.S. Treasury Unemployment Compensation Funds Pool.

\*\*\*The futures contracts effective weighted duration was calculated using notional values rather than fair values.

### *Other Investments*

The SBA manages its exposure to interest rate risk through various investment policies. Policies and interest rate risk disclosures for debt investments within the FRS Pension Trust Fund are presented below.

Investments authorized by Section 215.47, F.S., are managed through individual portfolios within various asset classes. The individual portfolios may have different policies regarding interest rate risk. Major types of debt portfolios are listed below.

*Short-term Portfolio* – Weighted average maturity to final maturity date (WAL) is limited to 120 days and weighted average time to coupon reset (WAM) is limited to 60 days. For securities without a fixed interest rate, the next coupon reset date is used as the maturity for the reset WAM calculation.

*Mortgage Index Portfolio* – Portfolio duration should be similar to the duration of the mortgage-related fixed income market and should remain within plus or minus 0.25 years of the Barclays Capital U.S. MBS Index duration. Swaps and/or Agency debentures may contribute no more than 25% of the portfolio's total duration.

*Intermediate Aggregate Less MBS Index Portfolio* – Portfolio duration should remain within plus or minus 0.25 years of the Barclays Capital U.S. Intermediate Aggregate Bond Index duration less the MBS Index component. Interest rate swaps and interest rate futures, on a net basis, may contribute no more than 25% of the portfolio's total duration.

*Core Portfolios* – Portfolio duration should remain within plus or minus 0.50 years of the Barclays Capital U.S. Intermediate Aggregate Bond Index duration. Interest rate swaps and interest rate futures, on a net basis, may contribute no more than 25% of the portfolio's total duration.

The Core Portfolio contains certain investments, known as collateralized mortgage obligations (CMOs), which are more sensitive to interest rate changes than other debt instruments. Examples of CMO securities that qualify as “highly interest rate sensitive” include interest-only (IOs), principal-only (POs), and inverse floaters (INVs). IO and PO securities are transactions that involve the separation of the interest and principal components of a security. They are highly sensitive to prepayments by mortgagors, which increase the value of a PO and decrease the value of an IO. INVs have an inverse relationship to a benchmark rate, and the coupon payment is adjusted as the interest rate changes. If the benchmark interest rate decreases, the coupon rate increases and vice versa, which allows the bondholder to benefit from declining interest rates. Similar to an IO, an interest-only inverse floater's value increases as interest rates rise.

*Security Lending Portfolios* – Investment policy guidelines in effect for the FRS Pension Trust Fund allow investment in:

- Tri-party qualified repurchase obligations, with a term to repurchase not to exceed 45 calendar days that are fully collateralized by U.S. Treasury bills, notes, bonds and/or strips, U.S. Government Agency securities, U.S. Government Agency mortgage-backed securities, and U.S. equity securities,
- Money market mutual funds regulated by SEC rule 2a-7, and
- U.S. Treasury bills, notes, and bonds maturing within 92 days or less.

Security lending investments that were purchased prior to the investment policy guidelines established in December 2008, are still held in the FRS Pension Trust Fund lending programs, and are slowly paying down. For investments that had floating interest rates, interest rate reset dates were used to calculate the WAM.

The LCEF policy allows cash collateral to be invested only in tri-party repurchase agreements, certain government money market funds and U.S. government securities similar to those allowed for the FRS Pension Fund.

For the Florida Prepaid lending program, investment policy guidelines state that the maximum rate sensitivity is 60 days. The “rate sensitivity” of a security or instrument shall mean (a) in the case of a fixed rate security or instrument (i) the date on which final payment is due or (ii) the principal amount can be recovered through demand (if applicable) or (b) in the case of a floating or variable rate security or instrument, the shorter of the period of time remaining until either (i) the next readjustment of the interest rate or (ii) the principal amount can be recovered through demand (if applicable).

Presented in the following schedule is the interest rate risk table for the FRS Pension Trust Fund (in thousands). Investment types related to debt portfolios are presented using effective weighted duration. Investment types related to short-term and securities lending collateral portfolios are presented using weighted average maturity.

**FRS Pension Trust Fund**  
**Debt Investments**  
**As of June 30, 2021**

| Investment type                                   | Fair value<br>(duration) | Effective<br>weighted<br>duration<br>(in years) | Fair value<br>(WAM) | Weighted<br>average<br>maturity<br>(in days) |
|---|--------------------------|---|---------------------|--|
| Commercial paper                                  | \$ —                     | N/A   | \$ 2,828,161        | 14   |
| Money market funds                                | —                        | N/A   | 1,997,493           | 1  |
| Repurchase agreements                             | —                        | N/A   | 1,000,000           | 3  |
| U.S. guaranteed obligations:                      |                          |   |                     |  |
| U.S. Treasury bills                               | 5,802,859                | 0.17  | —                   | N/A  |
| U.S. Treasury bonds and notes                     | 10,480,831               | 4.01  | —                   | N/A  |
| U.S. Treasury strips                              | 19,261                   | 23.02   | —                   | —  |
| Index linked government bonds                     | 201,743                  | 8.65  | —                   | N/A  |
| U.S. government guaranteed bonds and notes        | 10,973                   | 1.83  | —                   | N/A  |
| Asset-backed                                      | 9,674                    | 2.94  | —                   | N/A  |
| GNMA mortgage-backed pass-through                 | 841,603                  | 3.53  | —                   | N/A  |
| GNMA TBA mortgage-backed pass-through             | 379,785                  | 5.05  | —                   | N/A  |
| GNMA CMO's and CMBS <sup>1</sup>                  | 137,600                  | 3.65  | —                   | N/A  |
| Federal agencies:                                 |                          |   |                     |  |
| Unsecured bonds and notes                         | 507,901                  | 3.95  | —                   | N/A  |
| Agency strips                                     | 13,754                   | 5.56  | —                   | N/A  |
| Mortgage-backed pass-through                      | 4,871,867                | 4.69  | —                   | N/A  |
| FNMA, FHLMC TBA mortgage-backed pass-through      | 3,062,980                | 4.93  | —                   | N/A  |
| Mortgage-backed CMO's and CMBS <sup>1</sup>       | 1,010,738                | 3.42  | —                   | N/A  |
| Domestic bonds and notes:                         |                          |   |                     |  |
| Corporate   | 6,846,502                | 4.91  | —                   | N/A  |
| Non-government asset and mortgage-backed          | 761,674                  | 2.16  | 37,403              | 26   |
| Non-government backed CMO's and CMBS <sup>1</sup> | 1,732,524                | 3.21  | 992                 | 26   |
| Municipal/provincial                              | 22,241                   | 6.03  | —                   | N/A  |
| International bonds and notes:                    |                          |   |                     |  |
| Government and agency                             | 769,839                  | 3.71  | —                   | N/A  |
| Corporate   | 1,650,953                | 4.05  | —                   | N/A  |
| Non-government asset and mortgage-backed          | 643,204                  | 0.33  | —                   | N/A  |
| Non-government backed CMO's and CMBS <sup>1</sup> | 88,085                   | (0.05)  | —                   | N/A  |
| Futures contracts - long (debt) <sup>2</sup>      | 4,865                    | 3.86  | —                   | N/A  |
| Futures contracts - short (debt) <sup>2</sup>     | (17,627)                 | 6.64  | —                   | N/A  |
| Credit default swaps <sup>2</sup>                 | 5,164                    | —   | —                   | N/A  |
| Interest rate swap contracts <sup>2</sup>         | (4,172)                  | 7.65  | —                   | N/A  |
| Total debt investments                            | <u>\$ 39,854,821</u>     |   | <u>\$ 5,864,049</u> |  |

<sup>1</sup> Includes investments in IOs, POs, and INVs totaling \$80 million at June 30, 2021.

<sup>2</sup> The futures and swap contracts effective weighted duration was calculated using notional values (in U.S. dollars) rather than fair values.

Interest rate risk information for debt investments sold short is presented below (in thousands).

**FRS Pension Trust Fund  
Sold Short<sup>1</sup> Debt Investment Positions  
As of June 30, 2021**

| Investment type                                | Fair value<br>(duration) | Effective weighted<br>duration (in years) |
|--|--------------------------|---|
| GNMA commitments to sell (TBAs)                | \$ (837)                 | 2.47                                      |
| FNMA, FHLMC commitments to sell (TBAs)         | (75,747)                 | 3.11                                      |
| Total debt investments sold short <sup>1</sup> | <u>\$ (76,584)</u>       |   |

<sup>1</sup> Investments sold short are reported as liabilities on the Statement of Fiduciary Net Position.

Presented below are interest rate risk schedules for all debt-related investments managed by the SBA (excluding the FRS Pension Trust Fund), as of June 30, 2021 (in thousands). Certain investment types may be presented using two or more interest rate risk methods if the investment types are managed using different techniques. For example, if investments are purchased to match scheduled debt payments, to coincide with Lottery prize payouts, or are entirely client directed investments, the investments are presented using the segmented time distribution method. If investments are in a portfolio that contains weighted average maturity restrictions, the investments are presented using this method. If investments are subject to certain restrictions on duration, then that method is used. Individual investments are only included in one of the following three methods scheduled below.

**Debt Investments Managed by SBA (except FRS Pension Trust Fund)  
That Use Segmented Time Distribution Method  
As of June 30, 2021**

| Investment type                          | Total fair<br>value | Investment maturities (in years) |                  |                  |                   |                  |                  |                  |
|--|---------------------|----------------------------------|------------------|------------------|-------------------|------------------|------------------|------------------|
|  |                     | Less than or<br>equal to 1       | > 1 to 3         | > 3 to 5         | > 5 to 10         | >10 to 15        | > 15 to 20       | > 20             |
| U.S. guaranteed obligations:             |                     |                                  |                  |                  |                   |                  |                  |                  |
| U.S. Treasury bills                      | \$ 137,362          | \$ 137,362                       | \$ —             | \$ —             | \$ —              | \$ —             | \$ —             | \$ —             |
| U.S. Treasury bonds, notes,<br>and SLGS* | 306,261             | 276,518                          | 29,743           | —                | —                 | —                | —                | —                |
| U.S. Treasury strips                     | 291,927             | 22,796                           | 46,217           | 47,805           | 104,914           | 31,348           | 22,643           | 16,204           |
| Total debt investments                   | <u>\$ 735,550</u>   | <u>\$ 436,676</u>                | <u>\$ 75,960</u> | <u>\$ 47,805</u> | <u>\$ 104,914</u> | <u>\$ 31,348</u> | <u>\$ 22,643</u> | <u>\$ 16,204</u> |

\* Special U.S. Treasury securities for State and Local Governments.



**Debt Investments Managed by SBA (except FRS Pension Trust Fund)  
That Use Weighted Average Maturity Method or Duration Method  
As of June 30, 2021**

| Investment type                                   | Fair value<br>(duration) | Effective<br>weighted<br>duration<br>(in years) | Fair value<br>(WAM)  | Weighted<br>average<br>maturity<br>(in days) |
|---|--------------------------|---|----------------------|--|
| Certificates of deposit                           | \$ —                     | N/A   | \$ 3,705,057         | 84   |
| Commercial paper                                  | —                        | N/A   | 9,716,754            | 67   |
| Money market funds                                | 1,077,854                | 0.08  | 3,118,601            | 1  |
| Repurchase agreements                             | —                        | N/A   | 1,112,200            | 1  |
| U.S. guaranteed obligations:                      |                          |   |                      |  |
| U.S. Treasury bills                               | 29,699                   | 0.07  | 3,043,642            | 154  |
| U.S. Treasury bonds and notes                     | 1,071,295                | 7.97  | 7,470,908            | 713  |
| U.S. Treasury strips                              | 5,536,026                | 11.09   | —                    | N/A  |
| Index linked government bonds                     | 82,301                   | 5.31  | —                    | N/A  |
| U.S. government guaranteed                        | 511                      | 4.39  | —                    | N/A  |
| U.S. guaranteed (SBA) asset-backed                | 10,629                   | 5.78  | —                    | N/A  |
| GNMA mortgage-backed pass through                 | 16,515                   | 3.67  | —                    | N/A  |
| GNMA commitments to purchase (TBAs)               | 92,120                   | 3.78  | —                    | N/A  |
| GNMA CMO's <sup>1</sup>                           | 9,196                    | 1.35  | —                    | N/A  |
| Federal agencies:                                 |                          |   |                      |  |
| Unsecured bonds and notes                         | 19,320                   | 8.41  | 50,012               | 26   |
| Agency strips                                     | 303,513                  | 8.68  | —                    | N/A  |
| Mortgage-backed (FNMA, FHLMC)                     | 100,965                  | 3.78  | —                    | N/A  |
| FNMA, FHLMC commitments to purchase (TBAs)        | 274,217                  | 4.83  | —                    | N/A  |
| Mortgage-backed CMO's and CMBS <sup>1</sup>       | 63,357                   | 3.66  | —                    | N/A  |
| Domestic bonds and notes:                         |                          |   |                      |  |
| Corporate   | 2,819,139                | 12.49   | 3,393,269            | 677  |
| Non-government asset and mortgage-backed          | 243,746                  | 1.71  | —                    | N/A  |
| Non-government backed CMO's and CMBS <sup>1</sup> | 311,515                  | 3.51  | —                    | N/A  |
| Municipal/provincial                              | 41,526                   | 9.2   | 14,036               | 8  |
| Commingled funds/mutual funds                     | 2,738,401                | 6.24  | —                    | N/A  |
| International bonds and notes:                    |                          |   |                      |  |
| Government and agency                             | 67,469                   | 9.25  | 88,797               | 966  |
| Corporate   | 317,497                  | 10.79   | 2,181,223            | 692  |
| Non-government asset and mortgage-backed          | 83,523                   | 2.31  | —                    | N/A  |
| Non-government backed CMO's                       | 841                      | 0.22  | —                    | N/A  |
| Mutual fund                                       | 21,102                   | 8.4   | —                    | N/A  |
| Total debt investments                            | <u>\$ 15,332,277</u>     |   | <u>\$ 33,894,499</u> |  |

<sup>1</sup> Includes Investments in IO's and INV IO's totaling \$19.3 million and \$384 thousand, respectively, at June 30, 2021, in the Florida Prepaid College Program, and \$2.8 million in IO's in the Florida Prepaid Investment Plan.

**Component Units**

Component units manage their exposure to interest rate risk through various investment policies. These policies may be obtained separately from component units. Presented below is the applicable interest rate risk information for major component units (in thousands). Amounts shown below represent only that portion of debt investments required to be disclosed by component units reporting under the GASB reporting model.

**Major Component Units  
Debt Investments  
That Use Segmented Time Distribution Method  
As of June 30, 2021**

| Component unit / Investment type | Total fair value  | Investment maturities (in years) |                   |                  |                  |
|----------------------------------|-------------------|----------------------------------|-------------------|------------------|------------------|
|                                  |                   | Less than or equal to 1          | > 1 to 5          | > 5 to 10        | > 10             |
| University of Florida            |                   |                                  |                   |                  |                  |
| U.S. guaranteed obligations      | \$ 388            | \$ 40                            | \$ 315            | \$ 33            | \$ —             |
| Federal agencies                 | 6,157             | 1,600                            | 1,472             | 3,085            | —                |
| Bonds & notes                    | 148,813           | 9,717                            | 7,130             | 37,064           | 94,902           |
| Bond Mutual funds                | 207,345           | 4,265                            | 183,634           | 19,446           | —                |
| Total debt investments           | <u>\$ 362,703</u> | <u>\$ 15,622</u>                 | <u>\$ 192,551</u> | <u>\$ 59,628</u> | <u>\$ 94,902</u> |

**Major Component Units  
Debt Investments  
That Use Duration or Weighted Average Maturity Method  
As of June 30, 2021**

| Component unit / Investment type        | Fair value (duration) | Effective weighted duration (in years) | Fair value (WAM)    | Weighted average maturity (in years) |
|---|-----------------------|--|---------------------|--------------------------------------|
| Florida Housing Finance Corporation     |                       |  |                     |                                      |
| U.S. guaranteed obligations             | \$ 78,521             | 1.80                                   | \$ —                | N/A                                  |
| Federal agencies                        | 71,782                | 1.37                                   | —                   | N/A                                  |
| Bonds & notes                           | 249,385               | 1.67                                   | —                   | N/A                                  |
| Others                                  | 8,969                 | 1.53                                   | —                   | N/A                                  |
| Citizens Property Insurance Corporation |                       |  |                     |                                      |
| U.S. guaranteed obligations             | —                     | N/A                                    | 1,591,064           | 3.78                                 |
| Federal agencies                        | —                     | N/A                                    | 953,245             | 7.77                                 |
| Bonds & notes                           | —                     | N/A                                    | 5,532,812           | 6.37                                 |
| International bonds and notes           | —                     | N/A                                    | 659,896             | 5.36                                 |
| Total debt investments                  | <u>\$ 408,657</u>     |  | <u>\$ 8,737,017</u> |                                      |

#### 4. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates that will adversely affect the fair value of an investment.

##### *Pooled Investments with the State Treasury*

The State Treasury does not have any investments in foreign currency. State law and investment policy do not authorize investments in foreign currency related to State Treasury investment operations.

##### *Other Investments*

The FRS Pension Trust Fund, the LCEF, and the Florida Prepaid College Program had exposure to foreign currency risk at June 30, 2021. These funds are managed primarily by the use of “asset classes”.

The FRS Pension Trust Fund investment policy, approved on September 22, 2020 (effective October 1, 2020), by the Trustees, limits the global equity asset class (including domestic and foreign equities) to a policy range of 45-70% and a target allocation of 53%. All asset classes may hold non-U.S. securities, depending on portfolio guidelines. Within the global equity asset class, the FRS Pension Trust Fund also holds units in international equity commingled funds. The FRS Pension Trust Fund owns only a portion of the overall investment in the funds, which are also owned by other investors. Exchange-traded funds (ETFs) are investment funds that hold assets such as stocks or bonds and are traded on the stock exchanges. Participatory notes (P-notes) allow the FRS Pension Trust Fund to participate in certain foreign equity markets where direct participation is not possible due to local government regulations, tax policies, or other reasons. The FRS Pension Trust Fund’s unit holdings in the overall investments or notes themselves may be valued in U.S. dollars, but a portion of the underlying assets are exposed to foreign currency risk in various currencies. Within the alternative investment asset class, the FRS Pension Trust owns an interest in several alternative investment commingled funds (primarily limited partnerships) with other investors and, therefore, owns only a portion of the overall investment in the funds. The alternative investment funds denominated in foreign currency are presented in the foreign currency risk table below by currency. For the alternative investment funds denominated in U.S. dollars, some of the underlying investments may be exposed to foreign currency risk in various currencies. Alternative investments with potential exposure to foreign currency risk totaled approximately \$37.7 billion as of June 30, 2021.

For the LCEF, Trustees approved an investment policy on June 17, 2014, that set the global equity asset class with a policy range of 61-81% and a target allocation of 71%. Other asset classes in the LCEF may hold non-U.S. securities as well, depending on portfolio guidelines.

The Florida Prepaid Program’s comprehensive investment plan limits investment in foreign equities to 25% of total equities, with the target for total equities to be 70% of actuarial reserve.

In all cases, Florida law limits the total exposure to foreign securities outside of commingled funds to 50% of the total fund. There is no requirement that this exposure to foreign currency be hedged through forward currency contracts, although some investment managers use them in many cases.

Presented below in U.S. dollars are the FRS Pension Trust Fund investments exposed to foreign currency risk as of June 30, 2021, listed in total, by currency (in thousands).

**FRS Pension Trust Fund**  
**Investments Exposed to Foreign Currency Risk (fair values in U.S.\$, in thousands)**  
**As of June 30, 2021**

| Currency   | Investment Type      |                         |                   |                     |                     |
|--|----------------------|-------------------------|-------------------|---------------------|---------------------|
|  | Equity               | Alternative Investments | Fixed Income      | Other               | Spot Contracts, Net |
| Australian dollar  | \$ 1,006,211         | \$ —                    | \$ —              | \$ (130,375)        | \$ (226)            |
| Brazilian real   | 684,376              | —                       | —                 | —                   | (1,552)             |
| British pound sterling   | 3,441,186            | 111,669                 | 19,939            | (70,977)            | 12,322              |
| Canadian dollar  | 1,403,652            | —                       | 3,962             | 67,311              | 2,670               |
| Chilean peso   | 32,196               | —                       | —                 | —                   | —                   |
| Chinese yuan renminbi  | 1,083,278            | —                       | —                 | 49,586              | (93)                |
| Colombian peso   | 917                  | —                       | —                 | 22,496              | —                   |
| Czech koruna   | 1,088                | —                       | —                 | 45,542              | —                   |
| Danish krone   | 675,407              | —                       | —                 | —                   | (202)               |
| Egyptian pound   | 10,590               | —                       | —                 | —                   | —                   |
| Euro   | 8,319,691            | 1,604,304               | 102,508           | (500,657)           | 98,330              |
| Hong Kong dollar   | 4,044,101            | —                       | —                 | (18,773)            | 18,474              |
| Hungarian forint   | 8,644                | —                       | —                 | 10,427              | —                   |
| Indian rupee   | 1,231,137            | —                       | 6                 | 64,718              | (94)                |
| Indonesian rupiah  | 77,623               | —                       | —                 | 89,131              | (5)                 |
| Israeli shekel   | 107,048              | —                       | —                 | (19,618)            | 478                 |
| Japanese yen   | 4,102,818            | 1,812                   | —                 | (138,769)           | (12,037)            |
| Kenyan shilling  | 6,109                | —                       | —                 | —                   | —                   |
| Kuwaiti dinar  | 2,756                | —                       | —                 | —                   | —                   |
| Malaysian ringgit  | 56,291               | —                       | —                 | —                   | (5)                 |
| Mexican peso   | 165,744              | —                       | —                 | (4,015)             | 108                 |
| New Taiwan dollar  | 1,778,993            | —                       | —                 | (102,766)           | 48,031              |
| New Zealand dollar   | 17,118               | —                       | —                 | 36,156              | —                   |
| New Zimbabwe dollar  | 8,393                | —                       | —                 | —                   | —                   |
| Norwegian krone  | 291,877              | —                       | —                 | 5,900               | (911)               |
| Pakistani rupee  | 1,053                | —                       | —                 | —                   | —                   |
| Peruvian sol   | 61                   | —                       | —                 | —                   | —                   |
| Philippines peso   | 44,857               | —                       | —                 | 21,014              | 419                 |
| Polish zloty   | 67,428               | —                       | —                 | 20,887              | 234                 |
| Qatari riyal   | 10,011               | —                       | —                 | —                   | —                   |
| Romanian new leu   | —                    | —                       | —                 | 10,471              | —                   |
| Russian ruble  | 9,843                | —                       | —                 | 83,624              | —                   |
| Saudi Arabian riyal  | 136,036              | —                       | —                 | —                   | —                   |
| Singapore dollar   | 424,269              | —                       | —                 | 2,278               | 648                 |
| South African rand   | 341,729              | —                       | —                 | (3,811)             | (1,049)             |
| South Korean won   | 1,834,183            | —                       | —                 | (9,993)             | —                   |
| Swedish krona  | 804,106              | 55,096                  | —                 | (37,575)            | (4,942)             |
| Swiss franc  | 1,915,226            | —                       | —                 | (54,578)            | (7,454)             |
| Thailand baht  | 126,045              | —                       | —                 | 3,384               | 10                  |
| Turkish lira   | 67,573               | —                       | —                 | 10,267              | (190)               |
| United Arab Emirates dirham  | 33,699               | —                       | —                 | —                   | —                   |
| Vietnam dong   | 12,508               | —                       | —                 | —                   | —                   |
| <b>Total foreign currency investments</b>                                  | <b>34,385,871</b>    | <b>1,772,881</b>        | <b>126,415</b>    | <b>(548,715)</b>    | <b>152,964</b>      |
| <b>Other investments with potential exposure to foreign currency risk:</b> |                      |                         |                   |                     |                     |
| Alternative investments  | —                    | 37,699,569              | —                 | —                   | —                   |
| P-notes and ETFs   | 59,574               | —                       | —                 | —                   | —                   |
| Commingled international equity funds                                      | 7,724,138            | —                       | —                 | —                   | —                   |
| <b>Total investments subject to foreign currency risk</b>                  | <b>\$ 42,169,583</b> | <b>\$ 39,472,450</b>    | <b>\$ 126,415</b> | <b>\$ (548,715)</b> | <b>\$ 152,964</b>   |

In addition to the investments presented above, the FRS Pension Trust Fund holds positions in futures contracts that are subject to foreign currency risk. A futures contract is an agreement between two parties, a buyer and a seller, to exchange a particular good for a particular price at a particular date in the future, all of which are specified in a contract common to all participants in a market on an organized futures exchange. Upon entering into a futures contract, collateral is deposited with the counterparty, in the SBA's name, in accordance with the initial margin requirements of the counterparty. Futures contracts are marked to market daily by the board of trade or exchange on which they are traded. The resulting gain/loss is received/paid the following day until the contract expires. The frequency of cash flows depends upon specified collateral and margin limits mutually agreed upon by the SBA and the third-party counterparty. The margin payments are exposed to foreign currency risk. The FRS Pension Trust Fund's futures contract positions at June 30, 2021, that have exposure to foreign currency risk are presented below (values in thousands):

**FRS Pension Trust Fund**  
**Futures Positions Exposed to Foreign Currency Risk**  
**As of June 30, 2021**

|                                    | Currency               | Number of Contracts | In Local Currency        |                          |                        | Unrealized Gain/(Loss) (in U.S. \$) |
|------------------------------------|------------------------|---------------------|--------------------------|--------------------------|------------------------|-------------------------------------|
|                                    |                        |                     | Notional Traded Exposure | Notional Market Exposure | Unrealized Gain/(Loss) |                                     |
| Stock Index Futures:               |                        |                     |                          |                          |                        |                                     |
| GBP FTSE 100                       | British pound sterling | 10                  | 707                      | 698                      | (9) \$                 | (13)                                |
| Canada S&P/TSE 60                  | Canadian dollar        | 4                   | 956                      | 962                      | 6                      | 5                                   |
| DJ Euro STOXX 50                   | Euro                   | 40                  | 1,648                    | 1,622                    | (26)                   | (31)                                |
| Topix Index Future                 | Japanese yen           | 8                   | 156,439                  | 155,440                  | (999)                  | (9)                                 |
| MSCI EAFE <sup>1</sup>             | U. S. dollar           | 4,536               | 536,156                  | 522,570                  | (13,586)               | (13,586)                            |
| MSCI Emerging Markets <sup>1</sup> | U. S. dollar           | 239                 | 16,303                   | 16,309                   | 6                      | 6                                   |

<sup>1</sup> Futures denominated in U.S. dollars are based on an index that converts the foreign issues to U.S. dollar equivalents at currency market exchange rates.

The FRS Pension Trust Fund did not hold any positions in option or swap contracts that were exposed to foreign currency risk at June 30, 2021.

The FRS Pension Trust Fund, LCEF, and the Florida Prepaid Program and Investment Plan also enter into foreign currency exchange contracts which are agreements to exchange the currency of one country for the currency of another country at an agreed-upon price and settlement date. Currently, there are two types of foreign currency contracts being utilized by the FRS Pension Trust Fund. Spot currency contracts are valued at spot(traded) currency rates and are used primarily for trade settlement and currency repatriation. Forward currency contracts are valued at interpolated forward rates and may be used to mitigate currency risk for changes in value associated with foreign holdings, payables and/or receivables. On the Statement of Fiduciary Net Position, individual forward currency contract positions are recorded as net in Other investments, and spot currency contracts are recorded as receivables and payables. In addition, such contracts may be used to seek additional value independent of underlying equity assets. The LCEF and Florida Prepaid Plans currently utilize only spot currency contracts. All of the contracts are subject to foreign currency risk. A schedule of the FRS Pension Trust Fund's foreign currency exchange contracts outstanding at June 30, 2021, is presented below, by currency (in thousands):

**FRS Pension Trust Fund**  
**Foreign Currency Exchange Contracts**  
**As of June 30, 2021**

| Currency               | Forward Currency Contracts |                     |                           |                        | Spot Currency Contracts |                     |                          |                        |
|------------------------|----------------------------|---------------------|---------------------------|------------------------|-------------------------|---------------------|--------------------------|------------------------|
|                        | Receivable Notional        | Payable Notional    | Net Investment Fair Value | Unrealized Gain/(Loss) | Receivable Fair Value   | Payable Fair Value  | Net Receivables/Payables | Unrealized Gain/(Loss) |
| Australian dollar      | \$ 207,958                 | \$ 338,623          | \$ (130,375)              | \$ 291                 | \$ 1,975                | \$ (2,201)          | \$ (226)                 | \$ (3)                 |
| Brazilian real         | 22,259                     | 21,705              | —                         | (555)                  | —                       | (1,552)             | (1,552)                  | —                      |
| British pound sterling | 125,986                    | 198,095             | (70,964)                  | 1,145                  | 22,208                  | (9,886)             | 12,322                   | (142)                  |
| Canadian dollar        | 328,752                    | 260,675             | 67,306                    | (771)                  | 3,527                   | (857)               | 2,670                    | 3                      |
| Chilean peso           | 12,495                     | 12,174              | —                         | (320)                  | —                       | —                   | —                        | —                      |
| Chinese yuan           | 49,924                     | —                   | 49,586                    | (337)                  | —                       | (93)                | (93)                     | —                      |
| Colombian peso         | 35,388                     | 12,029              | 22,496                    | (862)                  | —                       | —                   | —                        | —                      |
| Czech koruna           | 46,495                     | —                   | 45,542                    | (953)                  | —                       | —                   | —                        | —                      |
| Danish krone           | —                          | —                   | —                         | —                      | —                       | (202)               | (202)                    | —                      |
| Euro                   | 235,963                    | 744,957             | (500,626)                 | 8,368                  | 132,511                 | (34,181)            | 98,330                   | (674)                  |
| Hong Kong dollar       | 5,132                      | 23,927              | (18,773)                  | 22                     | 27,058                  | (8,584)             | 18,474                   | (4)                    |
| Hungarian forint       | 10,850                     | —                   | 10,427                    | (423)                  | —                       | —                   | —                        | —                      |
| Indian rupee           | 78,003                     | 12,147              | 64,718                    | (1,139)                | —                       | (94)                | (94)                     | —                      |
| Indonesian rupiah      | 90,744                     | —                   | 89,131                    | (1,613)                | —                       | (5)                 | (5)                      | —                      |
| Israeli shekel         | 1,506                      | 21,137              | (19,618)                  | 13                     | 478                     | —                   | 478                      | —                      |
| Japanese yen           | 35,962                     | 176,512             | (138,760)                 | 1,790                  | 2,093                   | (14,130)            | (12,037)                 | 28                     |
| Malaysian ringgit      | —                          | —                   | —                         | —                      | —                       | (5)                 | (5)                      | —                      |
| Mexican peso           | 12,202                     | 16,217              | (4,015)                   | —                      | 108                     | —                   | 108                      | —                      |
| New Taiwan dollar      | 6,500                      | 108,971             | (102,766)                 | (295)                  | 48,064                  | (33)                | 48,031                   | 80                     |
| New Zealand dollar     | 252,223                    | 215,987             | 36,156                    | (80)                   | —                       | —                   | —                        | —                      |
| Norwegian krone        | 184,773                    | 179,797             | 5,900                     | 923                    | —                       | (911)               | (911)                    | 1                      |
| Philippines peso       | 21,451                     | —                   | 21,014                    | (437)                  | 419                     | —                   | 419                      | (2)                    |
| Polish zloty           | 21,689                     | —                   | 20,887                    | (801)                  | 234                     | —                   | 234                      | —                      |
| Romanian new leu       | 10,735                     | —                   | 10,471                    | (264)                  | —                       | —                   | —                        | —                      |
| Russian ruble          | 81,421                     | 834                 | 83,624                    | 3,037                  | —                       | —                   | —                        | —                      |
| Singapore dollar       | 2,299                      | —                   | 2,278                     | (21)                   | 2,924                   | (2,276)             | 648                      | (2)                    |
| South African rand     | —                          | 3,817               | (3,811)                   | 5                      | 2,004                   | (3,053)             | (1,049)                  | (4)                    |
| South Korean won       | 29,324                     | 39,680              | (9,993)                   | 363                    | —                       | —                   | —                        | —                      |
| Swedish krona          | 155,687                    | 195,368             | (37,575)                  | 2,106                  | 5,126                   | (10,068)            | (4,942)                  | (10)                   |
| Swiss franc            | 206,298                    | 261,928             | (54,578)                  | 1,052                  | —                       | (7,454)             | (7,454)                  | 24                     |
| Thailand baht          | 21,576                     | 18,007              | 3,384                     | (186)                  | 21                      | (11)                | 10                       | —                      |
| Turkish lira           | 10,075                     | —                   | 10,267                    | 192                    | —                       | (190)               | (190)                    | (1)                    |
| U.S. dollar            | 1,608,209                  | 1,049,292           | 558,917                   | —                      | 95,472                  | (249,142)           | (153,670)                | —                      |
| <b>Total</b>           | <b>\$ 3,911,879</b>        | <b>\$ 3,911,879</b> | <b>\$ 10,250</b>          | <b>\$ 10,250</b>       | <b>\$ 344,222</b>       | <b>\$ (344,928)</b> | <b>\$ (706)</b>          | <b>\$ (706)</b>        |

A schedule of the Lawton Chiles Endowment Fund and Florida Prepaid College Fund investments exposed to foreign currency risk as of June 30, 2021, is presented below, by currency (in thousands):

**Lawton Chiles Endowment Fund (LCEF) and Florida Prepaid College Program  
Investments Exposed to Foreign Currency Risk (fair values in U.S. \$)  
As of June 30, 2021**

| Currency  | LCEF<br>Investment Type |  | Florida Prepaid Program<br>and Investment Plan<br>Investment type |  |
|---|-------------------------|--|---|--|
|   | Equity                  | Spot Foreign<br>Currency<br>Contracts, Net | Equity  | Spot Foreign<br>Currency<br>Contracts, Net |
| Australian dollar   | \$ 15,086               | \$ —                                       | \$ —  | \$ (28,802)                                |
| Brazilian real  | 7,030                   | —  | —   | —  |
| British pound sterling  | 23,923                  | —  | 29,879  | (25,513)                                   |
| Canadian dollar   | 18,142                  | —  | 24,637  | 2,068                                      |
| Chinese yuan renminbi   | 6,127                   | (4)  | —   | —  |
| Czech koruna  | 498                     | —  | —   | —  |
| Danish krone  | 5,605                   | —  | 12,579  | (7,576)                                    |
| Egyptian pound  | 1,034                   | —  | —   | —  |
| Euro  | 65,126                  | —  | 105,189   | (21,556)                                   |
| Hong Kong dollar  | 29,653                  | —  | 25,450  | 19,309                                     |
| Hungarian forint  | 728                     | —  | —   | —  |
| Indonesian rupiah   | 1,082                   | —  | —   | —  |
| Israeli shekel  | 1,462                   | —  | —   | (1,741)                                    |
| Japanese yen  | 46,614                  | (76)                                       | 50,735  | (47,259)                                   |
| Malaysian ringgit   | 2,411                   | —  | —   | —  |
| Mexican peso  | 2,041                   | —  | —   | —  |
| New Taiwan dollar   | 16,111                  | —  | —   | —  |
| New Zealand dollar  | 1,621                   | —  | —   | (1,692)                                    |
| Norwegian krone   | 1,399                   | —  | —   | (3,403)                                    |
| Philippines peso  | 1,365                   | —  | —   | —  |
| Polish zloty  | 4,683                   | —  | —   | —  |
| Singapore dollar  | 1,493                   | —  | —   | (3,188)                                    |
| South African rand  | 2,625                   | —  | 3,862   | 3,912                                      |
| South Korean won  | 15,425                  | —  | —   | —  |
| Swedish krona   | 9,265                   | —  | 8,399   | (9,295)                                    |
| Swiss franc   | 19,831                  | —  | 7,663   | (31,541)                                   |
| Thailand baht   | 3,491                   | —  | —   | —  |
| Turkish lira  | 354                     | —  | —   | —  |
| <b>Total investments subject to foreign<br/>currency risk</b> | <b>\$ 304,225</b>       | <b>\$ (80)</b>                             | <b>\$ 268,393</b>   | <b>\$ (156,277)</b>                        |

A Schedule of the Lawton Chiles Endowment Fund's and Florida Prepaid Program's foreign currency exchange contracts outstanding at June 30, 2021, is presented below, by currency (in thousands):

**Lawton Chiles Endowment Fund and Florida Prepaid Program**  
**Foreign Currency Exchange Contracts**  
**As of June 30, 2021**

| Currency                             | Spot Currency Contracts |                     |                                 |                                  |
|--------------------------------------|-------------------------|---------------------|---------------------------------|----------------------------------|
|                                      | Receivables             | Payables            | Net<br>Receivables/<br>Payables | Net<br>Unrealized<br>Gain/(Loss) |
| <b>Lawton Chiles Endowment Fund:</b> |                         |                     |                                 |                                  |
| Chinese yuan renminbi                | \$ —                    | \$ (4)              | \$ (4)                          | \$ —                             |
| Japanese yen                         | —                       | (76)                | (76)                            | —                                |
| U.S. dollar                          | 80                      | —                   | 80                              | —                                |
| Total Lawton Chiles Endowment Fund   | <u>\$ 80</u>            | <u>\$ (80)</u>      | <u>\$ —</u>                     | <u>\$ —</u>                      |
| <b>Florida Prepaid Program</b>       |                         |                     |                                 |                                  |
| Australian dollar                    | \$ —                    | \$ (28,802)         | \$ (28,802)                     | \$ (29)                          |
| British pound sterling               | 6,525                   | (32,038)            | (25,513)                        | (4)                              |
| Canadian dollar                      | 2,068                   | —                   | 2,068                           | (1)                              |
| Danish krone                         | —                       | (7,576)             | (7,576)                         | (1)                              |
| Euro                                 | 8,893                   | (30,449)            | (21,556)                        | (24)                             |
| Hong Kong dollar                     | 19,309                  | —                   | 19,309                          | 1                                |
| Israeli shekel                       | —                       | (1,741)             | (1,741)                         | (2)                              |
| Japanese yen                         | 7,739                   | (54,998)            | (47,259)                        | 120                              |
| New Zealand dollar                   | —                       | (1,692)             | (1,692)                         | (2)                              |
| Norwegian krone                      | —                       | (3,403)             | (3,403)                         | (1)                              |
| Singapore dollar                     | —                       | (3,188)             | (3,188)                         | (1)                              |
| South African rand                   | 3,912                   | —                   | 3,912                           | (8)                              |
| Swedish krona                        | —                       | (9,295)             | (9,295)                         | (4)                              |
| Swiss franc                          | —                       | (31,541)            | (31,541)                        | (40)                             |
| U.S. dollar                          | 204,747                 | (48,466)            | 156,281                         | —                                |
| Total Florida Prepaid Program        | <u>\$ 253,193</u>       | <u>\$ (253,189)</u> | <u>\$ 4</u>                     | <u>\$ 4</u>                      |

### **Component Units**

Component unit information regarding foreign currency risk was not readily available.

## **5. Security Lending**

### **Pooled Investments with the State Treasury**

Section 17.61(1), F.S., authorizes the State Treasury to participate in a security lending program. Agents of the State Treasury loan securities, including U.S. government and federally guaranteed obligations, bonds, and notes to broker/dealers for collateral with a simultaneous agreement to return the collateral for the same securities in the future. Collateral for loaned securities cannot be less than 100 percent of the fair value of the underlying security plus accrued interest. Such collateral may consist of cash or government securities. Cash collateral is invested by the agent in investments authorized by Section 17.57, F.S. Maturities of investments made with cash collateral generally are not matched to maturities of the securities loaned because security loan agreements are generally open-ended with no fixed expiration date. The collateral under security lending agreements (including accrued interest) exceeded the fair value of the securities underlying those agreements (including accrued interest) on June 30, 2021. If a situation occurs where an agent does not receive collateral sufficient to offset the fair value of any securities lent, or the borrowers fail to return the securities or fail to pay the State Treasury for income distributions by the securities' issuers while the securities are on loan, the agent is required to indemnify the State Treasury for any losses that might occur. The State Treasury received \$2,081,405,602 cash collateral and \$1,510,110,036 non-cash collateral for securities loaned to others. Since the State Treasury does not have the ability to pledge or sell non-cash collateral securities, any non-cash portion of the collateral is not reported on the balance sheet. Securities held with others under security lending agreements with cash collateral totaled \$2,035,216,590. Securities held with others under security lending agreements with non-cash collateral totaled \$1,471,390,930. Security lending asset and liability balances are allocated at fiscal year-end and reported among all participating funds of the primary government.



The securities held with others under security lending agreements as of June 30, 2021, are as follows (in thousands):

**State Treasury Investments on Loan Under Security Lending Agreements  
As of June 30, 2021**

| <b>Securities on Loan for Cash Collateral, by Security Type</b>     | Fair Value of Securities on<br>Loan* |
|---|--------------------------------------|
| U.S. guaranteed obligations   | \$ 1,553,493                         |
| Federal agencies  | 3,617                                |
| Domestic bonds and notes  | 378,402                              |
| International bonds and notes                                       | 99,705                               |
| <b>Total securities on loan for cash collateral</b>                 | <b>2,035,217</b>                     |
| <br>  |                                      |
| <b>Securities on Loan for Non-Cash Collateral, by Security Type</b> |                                      |
| U.S. guaranteed obligations   | 1,459,389                            |
| Domestic bonds and notes  | 4,649                                |
| International bonds and notes                                       | 7,353                                |
| <b>Total securities on loan for non-cash collateral</b>             | <b>1,471,391</b>                     |
| <b>Total securities on loan</b>                                     | <b>\$ 3,506,608</b>                  |

\* The fair value equals the carrying value of the investments on loan.

***Other Investments***

Through the SBA, various funds, including the FRS Pension Trust Fund, the LCEF, and the Florida Prepaid College Program participate in security lending programs during the fiscal year ended June 30, 2021, although no loans remained outstanding in the LCEF at the end of the fiscal year. Initial collateral requirements for securities on loan range from 100% to 105%, depending on the lending agent, the type of security lent and the type of collateral received. The SBA had received and invested approximately \$4.2 billion in cash and \$11.1 billion in U.S. government and federal agency securities as collateral for the lending programs as of June 30, 2021. At June 30, 2021, the collateral held for the security lending transactions exceeded the fair value of the securities underlying the agreements (including accrued interest) except with one borrower in the FRS Pension Trust Fund totaling approximately \$2.5 million. Most security lending programs have indemnity clauses requiring the lending agent to assume borrower's risk from default. The FRS Pension Trust Fund also participated indirectly in security lending through investments in four commingled funds that do not offer borrower indemnification. The Fund receives a proportionate share of the security lending income generated from these activities. The SBA does not have the ability to pledge or sell the non-cash collateral securities, so the non-cash portion is not reported on the balance sheet or the Statement of (Fiduciary) Net Position. Maturities of investments made with cash collateral generally are not matched to maturities of the securities loaned—because security loan agreements are generally open-ended with no fixed expiration date. As such, investments made with cash collateral are primarily in short-term investments. However, investments purchased for some security lending programs included investments with final maturities of six months or more representing a range of approximately 3% to 13% of total collateral invested. There are no restrictions on the amount of securities that can be loaned at one time to one borrower for most funds.

At June 30, 2021, the collateral re-investment portfolios for the FRS Pension Trust Fund was primarily reinvested in selected money market funds in order to maximize earnings and reduce risk. The portfolios contain some legacy securities that will remain until they are either sold or mature. At June 30, 2021, there were four lending agents, including the two master custodians and two third-party agents.

The schedule below discloses the fair value and carrying value of investments on loan at June 30, 2021 (in thousands):

**Schedule of Other Investments on Loan Under Security Lending Agreements  
As of June 30, 2021**

| <b>Securities on Loan for Cash Collateral,<br/>by Security type</b>     | Fair value of Securities on Loan <sup>1</sup> |                               |                      |
|---|---|-------------------------------|----------------------|
|   | FRS Pension<br>Trust Fund                     | Other funds<br>Managed by SBA | Total                |
| U.S. guaranteed obligations   | \$ 1,230,458                                  | \$ 1,855,557                  | \$ 3,086,015         |
| Federal agencies  | 26,410  | 100,876                       | 127,286              |
| Domestic bonds and notes  | 46,916  | 111,571                       | 158,487              |
| International bonds and notes   | 60,606  | 22,311                        | 82,917               |
| Domestic stocks   | 89,153  | 18,887                        | 108,040              |
| International Stocks  | 493,737                                       | 3                             | 493,740              |
| <b>Total Securities on loan for cash collateral</b>                     | <b>1,947,280</b>                              | <b>2,109,205</b>              | <b>4,056,485</b>     |
| <br>  |   |                               |                      |
| <b>Securities on Loan for Non-Cash Collateral,<br/>by Security type</b> |   |                               |                      |
| U.S. guaranteed obligations   | \$ 1,134,410                                  | \$ 548,237                    | \$ 1,682,647         |
| Federal agencies  | 2,489   | —                             | 2,489                |
| Domestic bonds and notes  | 19,111  | 5,760                         | 24,871               |
| International bonds and notes   | 11,226  | 3,592                         | 14,818               |
| Domestic stocks   | 8,458,175                                     | 8,844                         | 8,467,019            |
| International stocks  | 678,931                                       | 1,579                         | 680,510              |
| <b>Total securities on loan for non-cash collateral</b>                 | <b>10,304,342</b>                             | <b>568,012</b>                | <b>10,872,354</b>    |
| <b>Total securities on loan</b>   | <b>\$ 12,251,622</b>                          | <b>\$ 2,677,217</b>           | <b>\$ 14,928,839</b> |

<sup>1</sup> The fair value of debt securities on loan includes accrued interest.

## 6. Derivatives

A derivative instrument is defined as a financial instrument or other contract that has all of the following characteristics:

- a. Settlement factors – It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both. These terms determine the amount of the settlement or settlements and, in some cases, whether or not a settlement is required.
- b. Leverage – It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- c. Net Settlement – Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

Derivative instruments consisted of futures, forward currency contracts, and swaps. Although allowed in the FRS Pension Trust Fund, no options were traded during the fiscal year ended June 30, 2021.

### *Pooled Investments with the State Treasury*

Pursuant to the State Treasury's established investment policy guidelines, interest rate futures are used as part of the investment strategy related to interest rate risk, duration adjustments, and yield curve strategies. Although put and call options on any security are permitted under the State Treasury's investment guidelines, interest rate futures were the only type of derivative held as of June 30, 2021. The State Treasury did not utilize derivatives for hedging activities during the fiscal year ending June 30, 2021. All of the State Treasury investment derivatives were reported at fair value in the accompanying financial statements as of June 30, 2021.

A summary of investment derivatives traded in the State Treasury is presented below (in thousands):

|                         | Notional<br>(in U.S. \$) | Changes in Fair Value |          | Fair Value at June 30, 2021 |            |
|-------------------------|--------------------------|-----------------------|----------|-----------------------------|------------|
|                         |                          | Classification        | Amount   | Classification              | Amount     |
| <b>State Treasury</b>   |                          |                       |          |                             |            |
| Investment derivatives: |                          |                       |          |                             |            |
| Futures                 | \$ 180,500               | Investment Income     | \$ 6,862 | Receivable/(Payable)        | \$ (2,529) |

This schedule includes both long and short positions.

See section 1E of Note 1 to these financial statements regarding State Treasury's securities pricing policies and independent pricing services methodologies related to securities not available on quoted market pricing exchanges.

### **Other Investments**

The SBA has established investment policy guidelines for each investment portfolio. Pursuant to these guidelines, derivative investment instruments are authorized to be used as tools for managing risk or executing investment strategies more efficiently than could otherwise be done in cash markets, and may only be used as part of a prudent investment process. Various derivative investment instruments are used as part of the investment strategy to hedge against interest rate risk, currency risk in foreign markets, default risk, and mortgaged-backed security prepayment risk, and to effectively manage exposure to domestic and international equities, bonds, and real estate markets.

A futures contract is an agreement between a buyer and a seller to exchange a particular good for a particular price at a particular date in the future, all of which are specified in a contract common to all members in a market on an organized futures exchange. Upon entering into a futures contract, collateral (cash and/or securities) is deposited with the counterparty, in SBA's name, in accordance with the initial margin requirements of the counterparty. Futures contracts are marked to market daily by the board of trade or exchange on which they are traded. The resulting gain/loss is received/paid the following day until the contract expires. The frequency of cash flows depends on specified collateral and margin limits mutually agreed upon by the SBA and third-party counterparty. Future contracts involve, to varying degrees, risk of loss in excess of the variation margin disclosed in the Statement of Fiduciary Net Position. Losses may arise from future changes in the value of the underlying instrument.

An option gives the buyer a stipulated privilege of buying or selling a stated property, security, or commodity at a given price (strike price) within a specified time (for an American-style option, at any time prior to or on the expiration date). A securities option is a negotiable contract in which the seller (writer), for a certain sum of money called the option premium, gives the buyer the right to demand within a specified time the purchase (call) from or sale (put) to the option seller of a specified number of bonds, currency units, index units, or shares of stock, at a fixed price or rate, called the strike price. There were no option contracts traded during the fiscal year ended June 30, 2021.

A forward currency contract is a contractual obligation, typically over-the-counter, traded between two parties to exchange a particular good or instrument (i.e., currency) at a set price on a future date. The buyer of the forward agrees to pay the price and take delivery of the good or instrument and is said to be "long" the forward contract, while the seller of the forward, or "short", agrees to deliver the good or instrument at the agreed price on the agreed date.

A swap is a contractual agreement to exchange a stream of periodic payments utilizing a central clearing house, whereby, each party in the transaction enters into a contract with the central counterparty. These agreements may be over-the-counter or exchange-traded. Upon entering into a swap contract through a clearing house, collateral is deposited with the counterparty, in SBA's name, in accordance with the initial margin requirements of the counterparty. Swaps are available in and between all active financial markets. Examples include:

Interest rate swap – An agreement between two parties where one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps often exchange a fixed payment for a floating payment that is linked to an interest rate.

Credit default swap – An agreement that allows one party to "buy" protection from another party for losses that might be incurred as a result of default by a specified reference credit (or credits). The "buyer" of protection pays a premium for the protection, and the "seller" of protection agrees to make a payment to compensate the buyer for losses incurred if a defined credit event occurs.

A summary of investment derivatives traded in the FRS Pension Trust Fund is presented below. As of June 30, 2021, all of the SBA investment derivatives were reported at fair value (in thousands).

|   | Notional<br>(in U.S. \$) | Increase/(Decrease) in Fair Value |                        | Fair Value at June 30, 2021 |                        |
|---|--------------------------|-----------------------------------|------------------------|-----------------------------|------------------------|
|   |                          | Classification                    | Amount<br>(in U.S. \$) | Classification              | Amount<br>(in U.S. \$) |
| <b>Fiduciary funds (FRS Pension Trust Fund)</b> |                          |                                   |                        |                             |                        |
| Investment derivative instruments:              |                          |                                   |                        |                             |                        |
| <b>Futures<sup>1</sup></b>                      |                          |                                   |                        |                             |                        |
| Futures (debt)                                  | \$ 7,199,391             | Investment Income                 | \$ 5,730               | Investment                  | \$ (12,762)            |
| Futures (equity)                                | \$ 2,337,517             | Investment Income                 | 438,779                | Investment                  | 2,466                  |
| <b>Total futures</b>                            |                          |                                   | <u>\$ 444,509</u>      |                             | <u>\$ (10,296)</u>     |
| <b>Forward currency contracts</b>               | \$ 3,911,879             | Investment Income                 | <u>\$ (32,876)</u>     | Investment                  | <u>\$ 10,250</u>       |
| <b>Swaps</b>                                    |                          |                                   |                        |                             |                        |
| Credit default swaps                            | \$ 786,630               | Investment Income                 | \$ (1,289)             | Investment                  | \$ 5,164               |
| Interest rate swaps                             | \$ 135,213               | Investment Income                 | (1,436)                | Investment                  | (4,172)                |
| <b>Total swaps</b>                              |                          |                                   | <u>\$ (2,725)</u>      |                             | <u>\$ 992</u>          |

<sup>1</sup> The total notional values of long and short fixed income futures positions were \$5.1 billion and \$2.1 billion, respectively. The total notional value of long equity futures positions was \$2.3 billion.

During the fiscal year ended June 30, 2021, the Florida Prepaid College Program traded investment derivative equity futures, incurring an overall decrease in fair value of approximately \$108 thousand, but did not hold any open equity futures positions at June 30, 2021.

## 7. Commitments

Each year the FRS Pension Trust Fund enters into a number of agreements that commit the Fund, upon request, to make additional investment purchases (i.e., capital commitments) up to predetermined amounts over certain investment time periods. The unfunded capital commitments for private equity, real estate and strategic investments not reported on the FRS Pension Trust Fund Statement of Fiduciary Net Position totaled \$18.2 billion as of June 30, 2021.

## 8. Fair Value Hierarchy

The state categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are unadjusted quoted prices in active markets for identical assets. Level 2 inputs are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active. Level 3 inputs are significant unobservable inputs.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

### *Pooled Investments with the State Treasury*

Securities classified in Level 1 are valued using quoted prices from the custodian bank's primary external pricing vendors.

Securities classified in Level 2 are evaluated prices from the custodian bank's primary external pricing vendors. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices. Other evaluation models use actual trade data, collateral attributes, broker bids, new issue pricings and other observable market information.

Debt and equity securities classified as Level 3 are valued with prices from the custodian bank's external pricing vendors or an alternative pricing source, utilizing inputs such as stale prices, cash flow models, broker bids, or cost. Cost or book value may be used as an estimate of fair value when there is a lack of an independent pricing source.

Certain investments, such as money market funds and repurchase agreements, are not included in the table, because they are carried at cost and not priced at fair value. Unemployment compensation funds are not included in the table, because this money is pooled with deposits from other states and is managed by the Federal Government. No disclosures can be made of specific securities owned.

At June 30, 2021, the State Treasury had the following recurring fair value measurements (in thousands):

| <b>Investments and Derivative Instruments Measured at Fair Value</b> |                      |                      |                      |                   |
|--|----------------------|----------------------|----------------------|-------------------|
| <b>As of June 30, 2021</b>   |                      |                      |                      |                   |
| <b>Investments by fair value level</b>                               | <b>Total</b>         | <b>Level 1</b>       | <b>Level 2</b>       | <b>Level 3</b>    |
| Commercial paper   | \$ 99,998            | \$ —                 | \$ 99,998            | \$ —              |
| U.S. guaranteed obligations  | 24,156,776           | 23,581,018           | 575,758              | —                 |
| Federal agencies   | 7,735,052            | —                    | 7,735,052            | —                 |
| Bonds and notes - domestic   | 6,871,554            | —                    | 6,871,554            | —                 |
| Bonds and notes - international                                      | 1,204,910            | 27,080               | 1,177,830            | —                 |
| Commingled STIF  | 969,594              | —                    | —                    | 969,594           |
| Lending collateral investments:                                      |                      |                      |                      |                   |
| Commercial Paper   | —                    | —                    | —                    | —                 |
| Federal Agencies   | 222,931              | —                    | 222,931              | —                 |
| Bonds and notes - domestic   | 62,285               | —                    | 62,285               | —                 |
| Bonds and notes - international                                      | 38,996               | —                    | 38,996               | —                 |
| Total investments by fair value level                                | <u>\$ 41,362,096</u> | <u>\$ 23,608,098</u> | <u>\$ 16,784,404</u> | <u>\$ 969,594</u> |
| <b>Investment derivative instruments</b>                             |                      |                      |                      |                   |
| Futures contracts  | <u>\$ (2,529)</u>    | <u>\$ (2,529)</u>    | <u>\$ —</u>          | <u>\$ —</u>       |
| Total investment derivative instruments                              | <u>\$ (2,529)</u>    | <u>\$ (2,529)</u>    | <u>\$ —</u>          | <u>\$ —</u>       |

### **Other Investments**

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using quoted prices at June 30 (or the most recent market close date if the markets are closed on June 30) in active markets from the custodian bank's primary external pricing vendors, which utilize primary exchanges.

Debt securities classified in Level 2 are valued using evaluated prices from the custodian bank's external pricing vendors. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices. Other evaluation models use actual trade data, collateral attributes, broker bids, new issue pricings and other observable market information.

Equity securities classified as Level 2 are valued using evaluated prices provided by the custodial bank's external pricing vendors, or alternative pricing source, such as investment managers, if information is not available from the custodial bank's external pricing vendors.

Debt and equity securities classified as Level 3 are valued using prices from the custodian bank's external pricing vendors or an alternative pricing source, utilizing inputs such as stale prices, cash flow models, or broker bids. Cost or book value may be used as an estimate of fair value when there is a lack of an independent pricing source.

Derivative instruments classified in Level 1 of the fair value hierarchy are exchange traded prices as provided by the custodian bank's external pricing vendors. Derivative instruments classified as Level 2 receive clearing house prices, which are based on models that reflect the contractual terms of the derivatives.

Private equity funds and real estate direct investments classified as Level 3 are valued using the methodology as described in the footnotes for the *Additional GASB 72 Required Disclosures* table, footnotes 13 and 15, respectively. Other private equity funds are measured at net asset value (NAV).

Certain investments, such as money market funds, repurchase agreements and U.S. guaranteed State and Local Government Series (SLGS) securities are not reported at fair value in the tables below because they are carried at cost and not priced at fair

value. Additionally, U.S. guaranteed securities in the Debt Service Escrowed Fund and all investments of the Local Government Surplus Funds Trust Fund are not included at fair value in the tables below because they are carried at cost and amortized cost, respectively. See page 81 for information to obtain the Local Government Surplus Funds Trust Fund investment detail. Commingled investments are measured at the NAV per share (or its equivalent).

The FRS Pension Trust Fund had the following fair value measurements as of June 30, 2021 (in thousand):

| <b>FRS Pension Trust Fund</b>                                      |                              |                       |                      |                      |
|--|------------------------------|-----------------------|----------------------|----------------------|
| <b>As of June 30, 2021</b>   |                              |                       |                      |                      |
| <b>Investments by fair value level</b>                             | Fair Value Measurement Using |                       |                      |                      |
|  | Total Fair Value             | Level 1               | Level 2              | Level 3              |
| <b>Debt securities</b>   |                              |                       |                      |                      |
| Commercial paper   | \$ 2,828,161                 | \$ —                  | \$ 2,828,161         | \$ —                 |
| U.S. guaranteed obligations  | 17,884,329                   | —                     | 17,884,329           | —                    |
| Federal agencies   | 9,467,240                    | —                     | 9,467,240            | —                    |
| Domestic bonds and notes   | 9,359,596                    | —                     | 9,238,984            | 120,612              |
| International bonds and notes                                      | 3,152,081                    | —                     | 2,481,878            | 670,203              |
| Total debt securities  | <u>42,691,407</u>            | <u>—</u>              | <u>41,900,592</u>    | <u>790,815</u>       |
| <b>Equity securities</b>   |                              |                       |                      |                      |
| Domestic   | 62,378,794                   | 62,378,399            | —                    | 395                  |
| International  | 39,304,609                   | 39,196,510            | —                    | 108,099              |
| Total equity securities  | <u>101,683,403</u>           | <u>101,574,909</u>    | <u>—</u>             | <u>108,494</u>       |
| <b>Commingled international equity funds</b>                       | <u>356,029</u>               | <u>—</u>              | <u>356,029</u>       | <u>—</u>             |
| <b>Alternative Investments</b>                                     |                              |                       |                      |                      |
| Private equity fund  | <u>329,592</u>               | <u>—</u>              | <u>—</u>             | <u>329,592</u>       |
| <b>Real Estate direct investments</b>                              | <u>10,663,262</u>            | <u>—</u>              | <u>—</u>             | <u>10,663,262</u>    |
| <b>Derivative Instruments, net</b>                                 |                              |                       |                      |                      |
| Forward currency contracts   | 10,250                       | —                     | 10,250               | —                    |
| Futures contracts  | (10,296)                     | (10,296)              | —                    | —                    |
| Swap contracts   | 992                          | —                     | 992                  | —                    |
| Total Investment derivative instruments                            | <u>946</u>                   | <u>(10,296)</u>       | <u>11,242</u>        | <u>—</u>             |
| <b>Securities lending collateral investments</b>                   |                              |                       |                      |                      |
| Domestic bonds and notes   | 41,740                       | —                     | 38,395               | 3,345                |
| Total investments by fair value level                              | <u>155,766,379</u>           | <u>\$ 101,564,613</u> | <u>\$ 42,306,258</u> | <u>\$ 11,895,508</u> |
| <b>Investments Measured at the Net Asset Value (NAV)</b>           |                              |                       |                      |                      |
| Commingled international equity funds                              | 7,368,109                    |                       |                      |                      |
| Commingled real estate investment funds                            | 2,273,591                    |                       |                      |                      |
| Activist equity funds  | 1,453,192                    |                       |                      |                      |
| Hedge funds  | 5,018,236                    |                       |                      |                      |
| Insurance funds  | 972,327                      |                       |                      |                      |
| Private debt/credit opportunities funds                            | 4,306,069                    |                       |                      |                      |
| Private equity funds   | 21,285,291                   |                       |                      |                      |
| Private real asset funds   | <u>6,107,743</u>             |                       |                      |                      |
| Total investments measured at the NAV                              | <u>48,784,558</u>            |                       |                      |                      |
| <b>Total investments measured at fair value</b>                    | <u>204,550,937</u>           |                       |                      |                      |
| <b>Other investments carried at amortized cost</b>                 |                              |                       |                      |                      |
| Money market funds   | 55,851                       |                       |                      |                      |
| Money market funds - security lending collateral                   | 1,941,641                    |                       |                      |                      |
| Repurchase agreements  | <u>1,000,000</u>             |                       |                      |                      |
| Total investments carried at amortized cost                        | <u>2,997,492</u>             |                       |                      |                      |
| <b>Total investments</b>   | <u>\$ 207,548,429</u>        |                       |                      |                      |
| <b>Investments sold short (Liabilities) measured at fair value</b> |                              |                       |                      |                      |
| U.S. guaranteed obligations  | \$ (837)                     | \$ —                  | \$ (837)             | \$ —                 |
| Federal agencies   | <u>(75,747)</u>              | <u>—</u>              | <u>(75,747)</u>      | <u>—</u>             |
| Total investments sold short                                       | <u>\$ (76,584)</u>           | <u>\$ —</u>           | <u>\$ (76,584)</u>   | <u>\$ —</u>          |

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) as of June 30, 2021, is presented in the footnotes to the table below (in thousands):

| <b>FRS Pension Trust Fund<br/>Additional GASB 72 Required Disclosures</b> |                                 |    |                                 |   |                                     |
|---|---------------------------------|----|---------------------------------|---|-------------------------------------|
|   | <b>Fair Value<br/>6/30/2021</b> |    | <b>Unfunded<br/>Commitments</b> | <b>Redemption<br/>Frequency (If<br/>Currently Eligible)</b> | <b>Redemption<br/>Notice Period</b> |
| <b>Investments Measured at the NAV:</b>                                   |                                 |    |                                 |   |                                     |
| Commingled international equity funds <sup>1</sup>                        | \$ 7,368,109                    | \$ | —                               | Daily, Monthly  | 2 - 120 days                        |
| Commingled real estate investment funds <sup>2</sup>                      | 2,273,591                       |    | —                               | Quarterly   | 15 - 90 days                        |
| Activist equity funds <sup>3</sup>  | 1,453,192                       |    | —                               | Monthly, Annually   | 65 - 90 days                        |
| <b>Hedge funds</b>  |                                 |    |                                 |   |                                     |
| Diversifying strategies (managed futures) <sup>4</sup>                    | 1,482,589                       |    | —                               | Daily, Monthly  | 10 - 35 days                        |
| Equity long/short <sup>5</sup>  | 578,678                         |    | —                               | Monthly, Quarterly  | 30 - 60 days                        |
| Event driven <sup>6</sup>   | 224,203                         |    | 60,000                          | Biennially  | 90 days                             |
| Global macro <sup>7</sup>   | 509,951                         |    | —                               | Monthly, Quarterly  | 5 - 45 days                         |
| Multi-strategy <sup>8</sup>   | 1,340,509                       |    | —                               | Quarterly, Annually,<br>Biennially                          | 60 - 90 days                        |
| Opportunistic debt <sup>9</sup>   | 506,749                         |    | —                               | Quarterly, Annually   | 60 - 90 days                        |
| Relative value <sup>10</sup>  | 375,557                         |    | —                               | Quarterly   | 60 days                             |
| Insurance funds <sup>11</sup>   | 972,327                         |    | 103,216                         | Monthly, Quarterly,<br>Biennially                           | 30 - 90 days                        |
| Private debt/credit opportunity funds <sup>12</sup>                       | 4,306,069                       |    | 3,940,793                       |   |                                     |
| Private equity funds <sup>13</sup>  | 21,285,291                      |    | 9,344,537                       |   |                                     |
| Private real asset funds <sup>14</sup>                                    | 6,107,743                       |    | 4,640,219                       |   |                                     |
| Total Investments Measured at the NAV                                     | \$ 48,784,558                   |    | \$ 18,088,765                   |   |                                     |
| <b>Investments Measured at Level 3:</b>                                   |                                 |    |                                 |   |                                     |
| Private equity funds <sup>13</sup>  | \$ 329,592                      | \$ | —                               |   |                                     |
| Real estate direct investments <sup>15</sup>                              | \$ 10,663,262                   | \$ | 147,710                         |   |                                     |

<sup>1</sup> *Commingled International Equity Funds.* The six funds in this group are primarily invested in publicly traded international equity securities. Three of these funds focus on emerging markets. Each are valued at the NAV of units held at the end of the period based upon the fair value of the underlying investments. Three funds within this strategy are redeemable daily, two funds are redeemable monthly, and the remaining fund is currently in the liquidation process with a residual balance remaining.

<sup>2</sup> *Commingled Real Estate Investment Funds.* The eight funds in this group consist primarily of real estate investments owned directly or through partnership interests located in the United States. These investments include multi-family, industrial, retail, office, apartments and mortgage loans on income producing property. Each are valued at the NAV of units held at the end of the period based upon the fair value of the underlying investments. All funds within this strategy are eligible for redemption quarterly.

<sup>3</sup> *Activist Equity Funds.* The four funds in this group invest in public companies with the intent to effect positive change through influencing management. The funds may be structured with a focus on specific domestic or foreign geographic regions. These investments are valued at the NAV per share. One fund (approximately 43% of this strategy) is currently eligible for redemption monthly. Another fund (approximately 27% of this strategy) is eligible for redemption in six months due to annual lock-up restrictions. The remaining two funds (approximately 30% of this strategy) are subject to contractual lock-up restrictions and are not currently eligible for redemption.

<sup>4</sup> *Diversifying Strategies (Managed Futures) Hedge Funds.* The three funds that make up this group primarily trade equity and commodity futures, but can also participate in indexes, rates and currencies across global markets. These funds use a systematic approach and focus on trends in price and other market signals. These investments are valued at the NAV per share. All funds within this strategy are redeemable within a month or less, as they are not subject to lock-up restrictions.

<sup>5</sup> *Equity Long/Short Hedge Funds.* Consisting of three funds, this strategy invests both long and short, primarily in U.S. and global stocks that are mispriced by the markets. These managers vary in their use of short selling, leverage and definitions of growth or value. These funds are valued at the NAV per share. Two funds (approximately 58% of this strategy) are currently eligible for redemption monthly, while the remaining fund (approximately 42% of this strategy) is subject to contractual lock-up restrictions and is not currently eligible for redemption.

<sup>6</sup> *Event Driven Hedge Funds.* The two funds in this group seek to gain an advantage from pricing inefficiencies that may occur in the onset or aftermath of a corporate action or related event. These investments are valued at the NAV per share. One fund (approximately 82% of this strategy) is redeemable in six months due to biennial lock-up restrictions. The remaining fund (approximately 18% of this strategy) is not eligible for redemption due to contractual lock-up restrictions.

<sup>7</sup> *Global Macro Hedge Funds.* Consisting of three funds, which base their holdings (such as long and short positions in various equity, fixed income, currency, and futures markets) primarily on overall economic and political view of various countries. These funds are valued at the NAV per share. All funds in this strategy are no longer subject to contractual lock-up, and are redeemable in three months or less due to monthly and quarterly redemption restrictions.

<sup>8</sup> *Multi-Strategy Hedge Funds.* The five funds in this group aim to diversify risks and reduce volatility by combining other strategies. These strategies are usually a mix of Equity Long/Short, Event-Driven, or Opportunistic Debt and Relative Value. These funds are valued at the NAV per share. Three funds (approximately 55% of this strategy) are currently eligible for redemption in one to three months due to annual redemption restrictions. One fund (approximately 26% of this strategy) is eligible for redemption biennially (for each commitment) with the next redemption in five months. The remaining fund (approximately 19% of this strategy) is not eligible for redemption due to contractual lock-up restrictions.

<sup>9</sup> *Opportunistic Debt Hedge Funds.* Consisting of four funds that pursue various strategies and asset classes, with an emphasis on mispriced debt or equity of companies in distress. These managers vary in their focus on early versus late stage situations, senior versus subordinated levels on the capital structure and



non-traditional areas including high yield bonds and Emerging Markets debt, and may also pursue relative value and arbitrage strategies with various debt instruments. These funds are valued at the NAV per share. The funds in this strategy are currently eligible for redemption in three to six months due to quarterly and annual redemption restrictions.

<sup>10</sup>*Relative Value Hedge Funds.* Consisting of one fund, this strategy focuses on benefiting from valuation discrepancies that may be present in related financial instruments by simultaneously purchasing (long) or selling (short) these instruments. These investments are valued at the NAV per share. The fund in this strategy is no longer subject to contractual lock-up, and redeemable in three months due to quarterly redemption restrictions.

<sup>11</sup>*Insurance funds.* The six funds in this group invest primarily in reinsurance contracts and insurance-linked securities. These investments are valued at NAV per share. One fund (approximately 29%) has varying restrictions due to underlying investment funds and redeemable within one to three months. Three funds (approximately 59%) are eligible for redemption in seven months or less due to biannual redemptions restrictions. The remaining two funds (approximately 12%) are not eligible for redemption due to contractual lock-up restrictions.

<sup>12</sup>*Private Debt/Credit Opportunity Funds.* There are 71 private debt/credit funds investing primarily in Distressed, Mezzanine and Loans with some exposure to Special Situations. The fair value of these funds has been determined using the NAV at June 30, 2021 or one quarter in arrears adjusted for current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

<sup>13</sup>*Private Equity funds.* There are 252 private equity funds investing primarily in Leveraged Buyouts funds, Venture Capital funds, Secondary funds and Growth funds with some exposure to Special Situations, Diversifying Strategies and GP Investments. The fair value of 250 funds has been determined using the NAV at June 30, 2021, or one quarter in arrears adjusted for current quarter cash flows. The fair value of the remaining 2 funds (approximately 2% of the value of these investments) is based on external appraisals at June 30, 2021, and classified as Level 3. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

<sup>14</sup>*Private Real Asset Funds.* There are 94 real asset funds, 63 of which invest in real estate assets such as commercial office buildings, retail properties, multi-family residential properties, developments or hotels. In addition, the funds may be structured with a focus on specific geographic domestic or foreign regions. The remaining 31 funds invest in infrastructure, timberland, transportation and commodities. The fair value of these funds has been determined using the NAV at June 30, 2021, or one quarter in arrears adjusted for current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

<sup>15</sup>*Direct Real Estate Investments.* There are 75 direct owned/joint venture real estate assets that are valued based on annual external and/or quarterly internal appraisals and are classified as Level 3.

The schedule below discloses the fair value measurements for all other funds managed by the SBA (excluding the FRS Pension Trust Fund) at June 30, 2021, (in thousands):

**All SBA Managed Funds (except FRS Pension Trust Fund)  
As of June 30, 2021**

| <b>Investments by fair value level</b>                     | Fair Value Measurement Using |                     |                      |                 |
|--|------------------------------|---------------------|----------------------|-----------------|
|  | <b>Total Fair Value</b>      | <b>Level 1</b>      | <b>Level 2</b>       | <b>Level 3</b>  |
| <b>Debt securities</b>                                     |                              |                     |                      |                 |
| Commercial paper   | \$ 49,999                    | \$ —                | \$ 49,999            | \$ —            |
| U.S. guaranteed obligations                                | 17,890,480                   | —                   | 17,890,480           | —               |
| Federal agencies   | 761,372                      | —                   | 761,372              | —               |
| Domestic bonds and notes                                   | 6,789,755                    | —                   | 6,788,474            | 1,281           |
| International bonds and notes                              | 2,739,349                    | —                   | 2,739,349            | —               |
| Total debt securities                                      | <u>28,230,955</u>            | <u>—</u>            | <u>28,229,674</u>    | <u>1,281</u>    |
| <b>Equity securities</b>                                   |                              |                     |                      |                 |
| Domestic   | 1,065,145                    | 1,065,145           | —                    | —               |
| International  | 667,865                      | 667,838             | —                    | 27              |
| Total equity securities                                    | <u>1,733,010</u>             | <u>1,732,983</u>    | <u>—</u>             | <u>27</u>       |
| <b>Other investments</b>                                   |                              |                     |                      |                 |
| Domestic bonds and notes mutual funds                      | 201,575                      | 201,575             | —                    | —               |
| International bonds and notes mutual funds                 | 21,102                       | 21,102              | —                    | —               |
| Domestic equity mutual funds                               | 2,572,264                    | 2,572,264           | —                    | —               |
| International equity mutual funds                          | 1,092,384                    | 1,092,384           | —                    | —               |
| Self-directed brokerage account                            | 1,219,127                    | —                   | 1,219,127            | —               |
| Total other investments                                    | <u>5,106,452</u>             | <u>3,887,325</u>    | <u>1,219,127</u>     | <u>—</u>        |
| <b>Securities lending collateral investments</b>           |                              |                     |                      |                 |
| Certificates of deposit                                    | 495,577                      | —                   | 495,577              | —               |
| Commercial paper   | 548,213                      | —                   | 548,213              | —               |
| Federal agencies   | 50,012                       | —                   | 50,012               | —               |
| Total securities lending collateral investments            | <u>1,093,802</u>             | <u>—</u>            | <u>1,093,802</u>     | <u>—</u>        |
| Total investments by fair value level                      | <u>36,164,219</u>            | <u>\$ 5,620,308</u> | <u>\$ 30,542,603</u> | <u>\$ 1,308</u> |
| <b>Investments Measured at the Net Asset Value (NAV)</b>   |                              |                     |                      |                 |
| Commingled domestic bonds and notes funds                  | 2,536,825                    |                     |                      |                 |
| Commingled domestic equity funds                           | 5,474,445                    |                     |                      |                 |
| Commingled international equity fund                       | 2,252,655                    |                     |                      |                 |
| Commingled real asset fund                                 | 1,044,057                    |                     |                      |                 |
| Total investments measured at the NAV                      | <u>11,307,982</u>            |                     |                      |                 |
| <b>Total investments measured at fair value</b>            | <u>47,472,201</u>            |                     |                      |                 |
| <b>Other investments carried at cost or amortized cost</b> |                              |                     |                      |                 |
| Money market funds   | 4,196,198                    |                     |                      |                 |
| Certificates of deposit                                    | 3,208,650                    |                     |                      |                 |
| Commercial paper   | 9,118,079                    |                     |                      |                 |
| Repurchase agreements                                      | 129,000                      |                     |                      |                 |
| Repurchase agreements - security lending collateral        | 983,200                      |                     |                      |                 |
| U.S. guaranteed obligations                                | 207,931                      |                     |                      |                 |
| Domestic bonds and notes                                   | 33,476                       |                     |                      |                 |
| Total investments carried at cost or amortized cost        | <u>17,876,534</u>            |                     |                      |                 |
| <b>Total investments</b>                                   | <u>\$ 65,348,735</u>         |                     |                      |                 |

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) as of June 30, 2021, is presented in the footnotes to the table below (in thousands):

**All SBA Managed Funds (except FRS Pension Trust Fund)  
Additional GASB 72 Disclosures**

|  | <u>6/30/2021</u>     | <u>Unfunded<br/>Commitments</u> | <u>Redemption<br/>Frequency<br/>(If Currently<br/>Eligible)</u> | <u>Redemption<br/>Notice Period</u> |
|--|----------------------|---------------------------------|---|-------------------------------------|
| <b>Investments Measured at the NAV</b>                 |                      |                                 |   |                                     |
| Commingled domestic bonds and notes funds <sup>1</sup> | \$ 2,536,825         | \$ —                            | Daily   | 2 - 15 Days                         |
| Commingled domestic equity funds <sup>2</sup>          | 5,474,445            | —                               | Daily   | 1 - 5 Days                          |
| Commingled international equity fund <sup>3</sup>      | 2,252,655            | —                               | Daily   | 2 Days                              |
| Commingled real asset funds <sup>4</sup>               | <u>1,044,057</u>     | —                               | Daily   | 1 - 15 Days                         |
| <b>Total investments measured at the NAV</b>           | <u>\$ 11,307,982</u> |                                 |   |                                     |

<sup>1</sup>*Commingled Domestic Bonds and Notes Funds:* Two Treasury Inflation-Protected Securities (TIPS) funds and six domestic bonds and notes funds are considered to be commingled in nature. The TIPS funds seek long-term real total return and is designed to keep pace with inflation. The six domestic bonds and notes funds utilize various investment strategies such as short/intermediate duration, index/benchmark tracking, high-yield, and corporate/government investment grade debt. Each fund is valued at the NAV of units held at the end of the period, based upon the fair value of the underlying investments. There were no unfunded commitments related to this investment type.

<sup>2</sup>*Commingled Domestic Equity Funds:* Seven domestic equity funds are considered to be commingled in nature. The domestic equity funds utilize various investment strategies such as index/benchmark tracking, small/mid cap, and large cap growth/value seeking appreciation and income. Each fund is valued at the NAV of units held at the end of the period, based upon the fair value of the underlying investments. There were no unfunded commitments related to this investment type.

<sup>3</sup>*Commingled International Equity Fund:* One international equity fund is considered to be commingled in nature. The fund invests in a portfolio of international equity securities whose total rates of return will approximate as closely as practicable the capitalization weighted total rates of return of the markets in certain countries for equity securities traded outside the United States. The fund is valued at the NAV of units held at the end of the period, based upon the fair value of the underlying investments. There were no unfunded commitments related to this investment type.

<sup>4</sup>*Commingled Real Asset Funds:* These two funds consist of various investments such as commodities, real estate, floating rate loans, energy industry Master Limited Partnerships, global infrastructure and agriculture. These funds are valued at the NAV of units held at the end of the period, based upon the fair value of the underlying investments. There were no unfunded commitments related to this investment type.

**Component Units**

Securities classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets from the custodian bank’s primary external pricing vendors.

Securities classified in Level 2 are evaluated prices from the custodian bank’s primary external pricing vendors, or alternative pricing source, such as investment managers, if information is not available from the primary vendors. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities’ relationship to benchmark quoted prices. Other evaluation models use actual trade data for similar securities, collateral attributes, broker bids, new issue pricings and other observable market information.

Securities classified as Level 3 are valued with prices from the custodian bank’s external pricing vendors or an alternative pricing source, utilizing cash flow models.

Certain investments, such as commercial paper, repurchase agreements, money market funds, and various investment agreements, are not included in the table, because they are carried at cost and not priced at fair value.

The schedule below discloses the fair value measurements for major component units at June 30, 2021, (in thousands):

| <b>Major Component Units</b>                             |                     |                         |   |                              |
|--|---------------------|-------------------------|---|------------------------------|
| <b>As of June 30, 2021</b>                               |                     |                         |   |                              |
| Fair Value Measurement Using                             |                     |                         |   |                              |
| <u>Investment by fair value level</u>                    | Total Fair Value    | Level 1                 | Level 2   | Level 3                      |
| <b>Florida Housing Finance Corporation (FHFC)</b>        |                     |                         |   |                              |
| <u>Debt securities</u>                                   |                     |                         |   |                              |
| Commercial paper   | \$ 535              | \$ —                    | \$ 535  | \$ —                         |
| U.S. guaranteed obligations                              | 1,381,975           | —                       | 1,381,975   | —                            |
| Federal agencies   | 19,584              | —                       | 19,584  | —                            |
| Domestic bonds and notes                                 | 299,431             | —                       | 299,431   | —                            |
| Total debt securities                                    | 1,701,525           | —                       | 1,701,525   | —                            |
| Other investments  | 15,079              | —                       | 15,079  | —                            |
| Total FHFC investments by fair value level               | <u>\$ 1,716,604</u> | <u>\$ —</u>             | <u>\$ 1,716,604</u>                                   | <u>\$ —</u>                  |
| <b>Citizens Property Insurance Corporation (CPIC)</b>    |                     |                         |   |                              |
| <u>Debt securities</u>                                   |                     |                         |   |                              |
| U.S. guaranteed obligations                              | \$ 1,591,065        | \$ 1,591,065            | \$ —  | \$ —                         |
| Federal agencies   | 953,245             | —                       | 953,245   | —                            |
| Domestic bonds and notes                                 | 5,532,812           | —                       | 5,532,812   | —                            |
| International bonds and notes                            | 659,895             | —                       | 659,895   | —                            |
| Total CPIC investments by fair value level               | <u>\$ 8,737,017</u> | <u>\$ 1,591,065</u>     | <u>\$ 7,145,952</u>                                   | <u>\$ —</u>                  |
| <b>University of Florida (UF)</b>                        |                     |                         |   |                              |
| <u>Debt securities</u>                                   |                     |                         |   |                              |
| Certificates of deposit                                  | \$ 2,600            | \$ 2,600                | \$ —  | \$ —                         |
| Commercial paper   | 8,230               | 8,230                   | —   | —                            |
| U.S. guaranteed obligations                              | 388                 | —                       | 388   | —                            |
| Federal agencies   | 6,157               | —                       | 6,157   | —                            |
| Domestic bonds and notes                                 | 148,813             | 128,124                 | 20,689  | —                            |
| Total debt securities                                    | 166,188             | 138,954                 | 27,234  | —                            |
| <u>Equity securities</u>                                 |                     |                         |   |                              |
| Domestic   | 94,282              | 94,244                  | 38  | —                            |
| International  | 43,735              | 43,735                  | —   | —                            |
| Total equity securities                                  | 138,017             | 137,979                 | 38  | —                            |
| Mutual funds   | 385,202             | 267,481                 | 117,721   | —                            |
| Real estate investments                                  | 3,746               | 3,746                   | —   | —                            |
| Other investments  | 58,865              | 39,684                  | 16,889  | 2,292                        |
| Total UF investments by fair value level                 | <u>\$ 752,018</u>   | <u>\$ 587,844</u>       | <u>\$ 161,882</u>                                     | <u>\$ 2,292</u>              |
| <b>Investments Measured at the Net Asset Value (NAV)</b> |                     |                         |   |                              |
|  |                     | Unfunded<br>Commitments | Redemption<br>Frequency (If<br>Currently<br>Eligible) | Redemption<br>Notice :Period |
| <b>University of Florida</b>                             |                     |                         |   |                              |
| International equity <sup>1</sup>                        | \$ 1,299            | \$ —                    | Illiquid  | N/A                          |
| Real estate investments <sup>2</sup>                     | 5,189               | —                       | Illiquid  | N/A                          |
| Hedge funds <sup>3</sup>                                 | 6,710               | —                       | Quarterly   | 45 days                      |
| Private equity funds <sup>4</sup>                        | 4,682,797           | 291,945                 | Monthly   | 30 days                      |
| Total investments measured at the NAV                    | 4,695,995           |                         |   |                              |
| <b>Total investments measured at fair value</b>          | <u>\$ 5,448,013</u> |                         |   |                              |

<sup>1</sup> *International equity*: This category included an investment in a foreign-based publicly-traded company focused on providing law enforcement with new tools and technology.

<sup>2</sup> *Real estate investments*: This category includes an investment in the form of real estate with donor restrictions. The real estate is held at fair value less estimated costs to sell.

<sup>3</sup> *Hedge Funds*: This category includes an investment in a hedge fund in which the fund manager is authorized to invest in a broad spectrum of securities that include, but are not limited to the following: equity and debt securities, currency, commodities, foreign debt, options, futures and swaps.

<sup>4</sup> *Private Equity Funds*: This category includes investments in several limited partnership funds that invest in equity securities and debt of private companies.

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## NOTE 3 - RECEIVABLES AND PAYABLES

“Receivables, net” and “Other loans and notes receivable, net,” as presented on the Government-wide Statement of Net Position and the applicable balance sheets and statements of net position in the fund financial statements, consist of the following (in thousands):

## GOVERNMENTAL ACTIVITIES

|  | General Fund        | Natural Resources,<br>Environment, and<br>Growth<br>Management | Public<br>Education | Health and<br>Family<br>Services | Transportation    |
|--|---------------------|--|---------------------|----------------------------------|-------------------|
| Accounts receivable                                | \$ 136,493          | \$ 14,708  | \$ 255              | \$ 1,130,104                     | \$ 7,712          |
| Contracts & grants receivable                      | 116                 | 418  | —                   | —                                | —                 |
| Due from Federal government                        | 3,190               | 23,541   | 662                 | 1,044,363                        | 49,136            |
| Due from other governmental units                  | 386                 | 3,093  | —                   | 604                              | 21,467            |
| Interest & dividends receivable                    | 62,861              | 1,041  | 1,044               | 294                              | 5,150             |
| Loans & notes receivable                           | 106,903             | 191,678  | —                   | —                                | —                 |
| Fees receivable                                    | 133,403             | 21   | —                   | —                                | —                 |
| Taxes receivable                                   | 4,065,318           | 25,622   | —                   | —                                | 272,040           |
| Allowance for uncollectibles                       | (2,004,151)         | (10,399)   | (1)                 | (46,823)                         | (15,505)          |
| <b>Receivables, net</b>                            | <b>\$ 2,504,519</b> | <b>\$ 249,723</b>  | <b>\$ 1,960</b>     | <b>\$ 2,128,542</b>              | <b>\$ 340,000</b> |
| Loans & notes receivable<br>from other governments | \$ —                | \$ 1,811,984   | \$ —                | \$ —                             | \$ 436,676        |
| Long-term interest receivable                      | —                   | —  | —                   | —                                | 390               |
| Other loans & notes receivable                     | 462                 | —  | 3,505               | 335,314                          | 65,997            |
| Allowance for uncollectibles                       | (43)                | —  | (2,696)             | (294,666)                        | (40,300)          |
| <b>Other loans &amp; notes receivable, net</b>     | <b>\$ 419</b>       | <b>\$ 1,811,984</b>  | <b>\$ 809</b>       | <b>\$ 40,648</b>                 | <b>\$ 462,763</b> |

(Continued below)

|  | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds | Internal<br>Service<br>Funds | Government-wide<br>Reconciling<br>Balances | Total<br>Governmental<br>Activities |
|--|-----------------------------------|--------------------------------|------------------------------|--|-------------------------------------|
| Accounts receivable                                | \$ 264,216                        | \$ 1,553,488                   | \$ 36,538                    | \$ 112,689                                 | \$ 1,702,715                        |
| Contracts & grants receivable                      | 18,792                            | 19,326                         | —                            | —  | 19,326                              |
| Due from Federal government                        | 218,522                           | 1,339,414                      | —                            | —  | 1,339,414                           |
| Due from other governmental units                  | 44,123                            | 69,673                         | 6,926                        | —  | 76,599                              |
| Interest & dividends receivable                    | 1,918                             | 72,308                         | 668                          | —  | 72,976                              |
| Loans & notes receivable                           | 107,640                           | 406,221                        | —                            | —  | 406,221                             |
| Fees receivable                                    | 218                               | 133,642                        | —                            | —  | 133,642                             |
| Taxes receivable                                   | 20,555                            | 4,383,535                      | —                            | —  | 4,383,535                           |
| Allowance for uncollectibles                       | (203,756)                         | (2,280,635)                    | (974)                        | —  | (2,281,609)                         |
| <b>Receivables, net</b>                            | <b>\$ 472,228</b>                 | <b>\$ 5,696,972</b>            | <b>\$ 43,158</b>             | <b>\$ 112,689</b>                          | <b>\$ 5,852,819</b>                 |
| Loans & notes receivable<br>from other governments | \$ 619,970                        | \$ 2,868,630                   | \$ —                         | \$ —                                       | \$ 2,868,630                        |
| Long-term interest receivable                      | —                                 | 390                            | —                            | —  | 390                                 |
| Other loans & notes receivable                     | 42,369                            | 447,647                        | —                            | —  | 447,647                             |
| Allowance for uncollectibles                       | (14,762)                          | (352,467)                      | —                            | —  | (352,467)                           |
| <b>Other loans &amp; notes receivable, net</b>     | <b>\$ 647,577</b>                 | <b>\$ 2,964,200</b>            | <b>\$ —</b>                  | <b>\$ —</b>                                | <b>\$ 2,964,200</b>                 |

**BUSINESS-TYPE ACTIVITIES**

|  | Transportation   | Lottery          | Hurricane<br>Catastrophe<br>Fund | Prepaid College<br>Program | Reemployment<br>Assistance |
|--|------------------|------------------|----------------------------------|----------------------------|----------------------------|
| Accounts receivable                            | \$ 5,740         | \$ 34,696        | \$ 401,580                       | \$ 747,037                 | \$ 300,370                 |
| Due from Federal government                    | —                | —                | —                                | —                          | 603,100                    |
| Due from other governmental units              | 194              | —                | —                                | —                          | 196                        |
| Interest & dividends receivable                | 621              | 496              | 31,764                           | 33,587                     | 60,102                     |
| Loans & notes receivable                       | —                | —                | —                                | 273,409                    | —                          |
| Fees receivable                                | 2,335            | —                | —                                | —                          | 1,262                      |
| Taxes receivable                               | —                | —                | —                                | —                          | 175,790                    |
| Allowance for uncollectibles                   | —                | (5,657)          | —                                | —                          | (393,511)                  |
| <b>Receivables, net</b>                        | <b>\$ 8,890</b>  | <b>\$ 29,535</b> | <b>\$ 433,344</b>                | <b>\$ 1,054,033</b>        | <b>\$ 747,309</b>          |
| Loans & notes receivable                       | \$ 72,861        | \$ —             | \$ —                             | \$ 1,909,270               | \$ —                       |
| Allowance for uncollectibles                   | —                | —                | —                                | —                          | —                          |
| <b>Other loans &amp; notes receivable, net</b> | <b>\$ 72,861</b> | <b>\$ —</b>      | <b>\$ —</b>                      | <b>\$ 1,909,270</b>        | <b>\$ —</b>                |

(Continued below)

|  | Nonmajor<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Government-wide<br>Reconciling<br>Balances | Total<br>Business-type<br>Activities |
|--|---------------------------------|------------------------------|--|--------------------------------------|
| Accounts receivable                            | \$ 55,626                       | \$ 1,545,049                 | \$ 151,951                                 | \$ 1,697,000                         |
| Due from Federal government                    | —                               | 603,100                      | —  | 603,100                              |
| Due from other governmental units              | 38,126                          | 38,516                       | —  | 38,516                               |
| Interest & dividends receivable                | 314                             | 126,884                      | —  | 126,884                              |
| Loans & notes receivable                       | 93                              | 273,502                      | —  | 273,502                              |
| Fees receivable                                | 124                             | 3,721                        | —  | 3,721                                |
| Taxes receivable                               | —                               | 175,790                      | —  | 175,790                              |
| Allowance for uncollectibles                   | (53,468)                        | (452,636)                    | —  | (452,636)                            |
| <b>Receivables, net</b>                        | <b>\$ 40,815</b>                | <b>\$ 2,313,926</b>          | <b>\$ 151,951</b>                          | <b>\$ 2,465,877</b>                  |
| Loans & notes receivable                       | \$ 4,885                        | \$ 1,987,016                 | \$ —                                       | \$ 1,987,016                         |
| Allowance for uncollectibles                   | (1,797)                         | (1,797)                      | —  | (1,797)                              |
| <b>Other loans &amp; notes receivable, net</b> | <b>\$ 3,088</b>                 | <b>\$ 1,985,219</b>          | <b>\$ —</b>                                | <b>\$ 1,985,219</b>                  |

**COMPONENT UNITS**

|  |                     |
|--|---------------------|
| Accounts receivable                            | \$ 1,949,217        |
| Contracts & grants receivable                  | 341,939             |
| Due from Federal government                    | 9,276               |
| Due from other governmental units              | 346,407             |
| Interest & dividends receivable                | 83,751              |
| Loans & notes receivable                       | 133,626             |
| Allowance for uncollectibles                   | (438,788)           |
| <b>Receivables, net</b>                        | <b>\$ 2,425,428</b> |
| Other loans & notes receivable                 | \$ 2,639,934        |
| Allowance for uncollectibles                   | (216,830)           |
| <b>Other loans &amp; notes receivable, net</b> | <b>\$ 2,423,104</b> |

“Accounts payable and accrued liabilities,” as presented on the Government-wide Statement of Net Position and the applicable balance sheets and statements of net position in the fund financial statements, consist of the following (in thousands):

**GOVERNMENTAL ACTIVITIES**

|   | General Fund      | Natural Resources, Environment, and Growth Management | Public Education | Health and Family Services | Transportation    |
|---|-------------------|---|------------------|----------------------------|-------------------|
| Accounts payable                                | \$ 598,256        | \$ 44,883   | \$ 10,628        | \$ 470,622                 | \$ 284,317        |
| Accrued salaries & wages                        | 56,015            | 4,762   | 24               | 25,561                     | 7,095             |
| Accrued interest payable                        | —                 | —   | —                | —                          | —                 |
| Claims payable                                  | —                 | —   | —                | —                          | —                 |
| Construction contracts                          | 173               | —   | —                | —                          | 579,540           |
| Deposits payable                                | 208               | 769   | 32               | 10                         | 9,525             |
| Due to Federal government                       | 1                 | —   | —                | 229,027                    | —                 |
| Due to other governmental units                 | 117,158           | 13,295  | —                | 7,861                      | 8,626             |
| Other payables                                  | —                 | —   | —                | —                          | —                 |
| <b>Accounts payable and accrued liabilities</b> | <b>\$ 771,811</b> | <b>\$ 63,709</b>                                      | <b>\$ 10,684</b> | <b>\$ 733,081</b>          | <b>\$ 889,103</b> |

(Continued below)

|   | Nonmajor Governmental Funds | Total Governmental Funds | Internal Service Funds | Government-wide Reconciling Balances | Total Governmental Activities |
|---|-----------------------------|--------------------------|------------------------|--------------------------------------|-------------------------------|
| Accounts payable                                | \$ 290,253                  | \$ 1,698,959             | \$ 19,430              | \$ 232,852                           | \$ 1,951,241                  |
| Accrued salaries & wages                        | 8,187                       | 101,644                  | 1,221                  | —                                    | 102,865                       |
| Accrued interest payable                        | —                           | —                        | —                      | —                                    | —                             |
| Claims payable                                  | —                           | —                        | 217,642                | —                                    | 217,642                       |
| Construction contracts                          | 962                         | 580,675                  | —                      | —                                    | 580,675                       |
| Deposits payable                                | 3,326                       | 13,870                   | —                      | —                                    | 13,870                        |
| Due to Federal government                       | 2,103                       | 231,131                  | —                      | —                                    | 231,131                       |
| Due to other governmental units                 | 55,035                      | 201,975                  | —                      | —                                    | 201,975                       |
| Other payables                                  | —                           | —                        | 2,893                  | —                                    | 2,893                         |
| <b>Accounts payable and accrued liabilities</b> | <b>\$ 359,866</b>           | <b>\$ 2,828,254</b>      | <b>\$ 241,186</b>      | <b>\$ 232,852</b>                    | <b>\$ 3,302,292</b>           |



**BUSINESS-TYPE ACTIVITIES**

|   | Transportation   | Lottery          | Hurricane<br>Catastrophe<br>Fund | Prepaid College<br>Program | Reemployment<br>Assistance |
|---|------------------|------------------|----------------------------------|----------------------------|----------------------------|
| Accounts payable                                    | \$ 2,135         | \$ 11,740        | \$ 250,722                       | \$ 1,210,556               | \$ 497,978                 |
| Accrued interest payable                            | —                | —                | 38,424                           | —                          | —                          |
| Accrued salaries & wages                            | —                | 94               | —                                | —                          | —                          |
| Construction contracts                              | 71,376           | —                | —                                | —                          | —                          |
| Deposits payable                                    | 248              | 2,365            | —                                | —                          | —                          |
| <b>Accounts payable and<br/>accrued liabilities</b> | <b>\$ 73,759</b> | <b>\$ 14,199</b> | <b>\$ 289,146</b>                | <b>\$ 1,210,556</b>        | <b>\$ 497,978</b>          |

(Continued below)

|   | Nonmajor<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Government-wide<br>Reconciling<br>Balances | Total<br>Business-type<br>Activities |
|---|---------------------------------|------------------------------|--|--------------------------------------|
| Accounts payable                                    | \$ 43,994                       | \$ 2,017,125                 | \$ 48,987                                  | \$ 2,066,112                         |
| Accrued interest payable                            | —                               | 38,424                       | —  | 38,424                               |
| Accrued salaries & wages                            | 2,272                           | 2,366                        | —  | 2,366                                |
| Construction contracts                              | —                               | 71,376                       | —  | 71,376                               |
| Deposits payable                                    | 1,949                           | 4,562                        | —  | 4,562                                |
| <b>Accounts payable and<br/>accrued liabilities</b> | <b>\$ 48,215</b>                | <b>\$ 2,133,853</b>          | <b>\$ 48,987</b>                           | <b>\$ 2,182,840</b>                  |

**COMPONENT UNITS**

|   |                     |
|---|---------------------|
| Accounts payable                                    | \$ 982,609          |
| Accrued interest payable                            | 31,679              |
| Accrued salaries & wages                            | 481,499             |
| Claims payable                                      | 851,235             |
| Construction contracts                              | 53,993              |
| Deposits payable                                    | 212,285             |
| Due to other governmental units                     | 14,201              |
| Vouchers payable                                    | 15,935              |
| <b>Accounts payable and<br/>accrued liabilities</b> | <b>\$ 2,643,436</b> |

## NOTE 4 – TAXES AND TAX ABATEMENTS

## A. Taxes

Florida levies neither a personal income tax nor an ad valorem tax on real or tangible personal property. Taxes are, however, one of the principal sources of financing state operations. A schedule of tax revenues by major tax type for each applicable major governmental fund, and for nonmajor governmental funds in the aggregate, is presented below (in thousands):

|                                  | General<br>Fund | Natural<br>Resources,<br>Environment,<br>and Growth<br>Management | Public<br>Education | Health<br>and<br>Family<br>Services | Transportation | Nonmajor<br>Governmental<br>Funds | Total         |
|----------------------------------|-----------------|---|---------------------|-------------------------------------|----------------|-----------------------------------|---------------|
| Sales and use tax                | \$ 30,425,155   | \$ —  | \$ —                | \$ —                                | \$ —           | \$ —                              | \$ 30,425,155 |
| Fuel taxes:                      |                 |   |                     |                                     |                |                                   |               |
| Motor fuel tax                   | —               | —   | —                   | —                                   | 2,855,700      | —                                 | 2,855,700     |
| Pollutant tax                    | —               | 257,357   | —                   | —                                   | —              | —                                 | 257,357       |
| Aviation fuel tax                | —               | —   | —                   | —                                   | 18,145         | —                                 | 18,145        |
| Solid minerals severance tax     | —               | 28,275  | —                   | —                                   | —              | —                                 | 28,275        |
| Oil and gas production tax       | 1,266           | —   | —                   | —                                   | —              | —                                 | 1,266         |
| Total fuel taxes                 | 1,266           | 285,632   | —                   | —                                   | 2,873,845      | —                                 | 3,160,743     |
| Corporate income tax             | 3,153,000       | —   | —                   | —                                   | —              | —                                 | 3,153,000     |
| Documentary stamp tax            | 4,137,123       | —   | —                   | —                                   | —              | —                                 | 4,137,123     |
| Intangible personal property tax | 708,962         | —   | —                   | —                                   | —              | —                                 | 708,962       |
| Communications service tax       | 572,048         | —   | 329,826             | —                                   | —              | —                                 | 901,874       |
| Estate tax                       | —               | —   | —                   | —                                   | —              | —                                 | —             |
| Gross receipts utilities tax     | —               | 440   | 780,382             | —                                   | —              | —                                 | 780,822       |
| Beverage and tobacco taxes:      |                 |   |                     |                                     |                |                                   |               |
| Alcoholic beverage tax           | 323,930         | —   | —                   | —                                   | —              | 14,712                            | 338,642       |
| Cigarette tax                    | 1,058,531       | —   | —                   | —                                   | —              | —                                 | 1,058,531     |
| Smokeless tobacco tax            | 41,560          | —   | —                   | —                                   | —              | —                                 | 41,560        |
| Total beverage and tobacco taxes | 1,424,021       | —   | —                   | —                                   | —              | 14,712                            | 1,438,733     |
| Other taxes:                     |                 |   |                     |                                     |                |                                   |               |
| Insurance premium tax            | 1,445,058       | —   | —                   | —                                   | —              | 46,772                            | 1,491,830     |
| Hospital public assistance tax   | —               | —   | —                   | 721,223                             | —              | —                                 | 721,223       |
| Citrus excise tax                | —               | —   | —                   | —                                   | —              | 7,816                             | 7,816         |
| Pari-mutuel wagering tax         | 7,184           | —   | —                   | —                                   | —              | 190,844                           | 198,028       |
| Total other taxes                | 1,452,242       | —   | —                   | 721,223                             | —              | 245,432                           | 2,418,897     |
| Total                            | \$ 41,873,817   | \$ 286,072  | \$ 1,110,208        | \$ 721,223                          | \$ 2,873,845   | \$ 260,144                        | \$ 47,125,309 |

|                              | Sales and<br>Use Tax |
|------------------------------|----------------------|
| Governmental fund statements | \$ 30,425,155        |
| Government-wide accruals     | 26,519               |
| Government-wide statements   | \$ 30,451,674        |

**B. Tax Abatements**

For financial reporting purposes, a tax abatement is defined as an agreement between the government and an individual or entity through which the government promises to forgo tax revenues and the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the government or its citizens. As of June 30, 2021, tax abatement programs are as follows:

|  |   |  |
|--|---|--|
| Program Name   | Entertainment Industry Sales Tax Exemption Program  | Community Contribution Tax Credit Program  |
| Program Purpose  | The purpose of this program is to encourage the use of this state as a site for filming, for the digital production of films, and to develop and sustain the workforce and infrastructure for film, digital media, and entertainment production.  | Encourage donations and local private support of projects that provide housing opportunities for persons with special needs or home ownership opportunities for low-income or very low income families.  |
| Taxes being abated   | Sales and Use Tax   | Corporate Income Tax; Insurance Premium Tax; Sales and Use Tax Refund  |
| Authority under which abatements are entered into                            | s. 288.1258, F.S.   | s. 212.08(5)(p); 220.183; and 624.5105, F.S.   |
| Criteria to be eligible to receive abatements and commitment of the taxpayer | Applicants must be a production company producing specified types of content in Florida. For the purposes of this section, “qualified production company” means any production company that has submitted a properly completed application to the Department of Revenue and that is subsequently qualified by the Office of Film and Entertainment. | A taxpayer must apply for approval and be issued an approval letter by the State. A community contribution by a person must be in the following form: (a) Cash or other liquid assets; (b) Real property, including 100 percent ownership of a real property holding company; (c) Goods or inventory; or (d) Other physical resources identified by the State. |
| How taxes are reduced  | Tax Exemption   | Tax credit against corporate income or insurance premium tax; sales tax refund   |
| How amount of abatement is determined  | Point of sale exemption on items used as an integral part of the production process in Florida, including production equipment, set design and construction, props, wardrobe, and real estate rental.   | The credit is equal to 50 percent of the value of the donation, with a limit of \$200,000 per year. For the credits under this authorized program maximum amount limitation is totaling \$14,000,000.  |
| Provisions for recapturing abated taxes                                      | Revocation of certificate and any taxes exempted are due with interest and penalty.   | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.   |
| Type of commitments other than taxes   | N/A   | N/A  |
| Total tax revenues reduced during fiscal year (in thousands)                 | \$19,689  | \$14,000   |

## Tax abatement programs, continued:

| Program Name   | Florida Scholarship Funding Organizations Program  | Hope Scholarship Credit   |
|--|--|---|
| Program Purpose  | Allows taxpayers to make private, voluntary contributions to nonprofit scholarship-funding organizations and receive dollar for dollar tax credit against specific Florida taxes.  | The Hope Scholarship Program provides a public-school student who was subjected to an incident of violence or bullying at school the opportunity to apply for a scholarship to attend an eligible private school rather than remain in an unsafe school environment.  |
| Taxes being abated   | Sales and Use Tax, Corporate Income Tax, Severance Taxes, Insurance Premium Tax  | Sales and Use Tax   |
| Authority under which abatements are entered into                            | s. 1002.395, F.S.  | s. 212.1832 and 1002.40, F.S.   |
| Criteria to be eligible to receive abatements and commitment of the taxpayer | Qualifying business entity shall apply to the department for approval of an allocation of statewide cap to ensure credits do not exceed the cap. The Department will approve applications and issue an approval letter. Taxpayer must make the contribution to the Scholarship Funding Organization by the end of the tax year to earn the credit on the return. | Applicants must purchase or register a motor vehicle qualifying for the Hope Scholarship Program in Florida and may designate \$105 of the state sales tax due at the time of purchase or registration to an eligible nonprofit scholarship-funding organization (SFO) participating in the Program. If the state sales tax due is less than \$105, the designated amount would be the state sales tax due. Motor vehicle dealers, private tag agencies, and county tax collectors receiving contributions must remit the contributions directly to the designated nonprofit scholarship-funding organization and tax a credit on their sales and use tax return for the amount of the contributions. |
| How taxes are reduced  | Tax Credit   | Tax Credit  |
| How amount of abatement is determined  | Contribution is made to qualifying Scholarship Funding Organization  | Contribution is paid to a qualifying scholarship-funding organization for use in the Hope Scholarship Program.  |
| Provisions for recapturing abated taxes                                      | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.   | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.  |
| Type of commitments other than taxes   | N/A  | N/A   |
| Total tax revenues reduced during fiscal year (in thousands)                 | \$319,184  | \$75,107  |

Tax abatement programs, continued:

| Program Name   | Capital Investment Tax Credit   | New Markets Tax Credit   |
|--|---|--|
| Program Purpose  | Attract and grow capital-intensive industries in the state.   | To promote capital investment in rural and urban low-income communities by allowing taxpayers to earn credits against specified taxes by investing in qualified community development entities that make qualified low-income community investments in qualified active low-income community businesses to create and retain jobs. |
| Taxes being abated   | Corporate Income Tax; Premium Tax arising from the project  | Corporate Income Tax and Insurance Premium Tax   |
| Authority under which abatements are entered into                            | s. 220.191, F.S.  | s. 288.9916, F.S.  |
| Criteria to be eligible to receive abatements and commitment of the taxpayer | <p>Applicants must establish a qualified project certified by the State and meet minimum capital investment, job creation and wage requirements.</p> <p>(1) The business has to be a high-impact sector business;<br/>                     (2) The business has to build or expand a facility within Florida;<br/>                     (3) The business has to incur construction or expansion costs of at least \$25 million;<br/>                     (4) The business has to create and maintain at least 100 new jobs within Florida; and<br/>                     (5) The business has to be approved by the Department of Economic Opportunity.</p> | Qualified Community Development Entities (CDEs) apply to Department of Economic Opportunity to have investments approved as qualified investments for tax credits. Taxpayers then earn credits by investing in CDEs that make investments in active low-income community businesses.   |
| How taxes are reduced  | Tax Credit  | Tax Credit   |
| How amount of abatement is determined  | An annual credit may be claimed for up to 20 years in an annual amount up to 5 percent of the eligible capital costs generated by a qualifying project. The annual tax credit shall not exceed specified percentages of the annual tax liability.   | Credit equals to 39 percent of the purchase price of the qualified investment.   |
| Provisions for recapturing abated taxes                                      | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.  | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.   |
| Type of commitments other than taxes   | N/A   | N/A  |
| Total tax revenues reduced during fiscal year (in thousands)                 | \$86,476  | \$17,165   |

## Tax abatement programs, continued:

| Program Name   | Contaminated Site Credit  | Research and Development Tax Credit  |
|--|---|--|
| Program Purpose  | To promote voluntarily rehabilitation of brownfield sites or sites contaminated with dry-cleaning solvent.  | To encourage target industry business in the State.  |
| Taxes being abated   | Corporate Income Tax  | Corporate Income Tax   |
| Authority under which abatements are entered into                            | s. 220.1845 and 376.30781, F.S.   | s. 220.196, F.S.   |
| Criteria to be eligible to receive abatements and commitment of the taxpayer | Participants must meet applicable eligibility criteria and enter either a Voluntary Cleanup Agreement or a Brownfield Site Rehabilitation Agreement.  | Taxpayer must claim and be allowed a research credit against federal income tax for qualified research expenses under Section 41, Internal Revenue Code, and also meet the definition of a target industry business as defined in Section 288.106, F.S.  |
| How taxes are reduced  | Tax Credit  | Tax Credit   |
| How amount of abatement is determined  | The credit is 50 percent of rehabilitation costs, up to \$500,000 per site, per year. To encourage completion of site rehabilitation the applicant may claim an additional 25 percent of the total site rehabilitation costs, not to exceed \$500,000, in the final year of cleanup. To encourage the construction of affordable housing an applicant meeting applicable requirements may claim an additional 25 percent of the total site rehabilitation costs, not to exceed \$500,000. | The Florida credit is equal to 10 percent of the amount of qualified research expenses incurred in Florida and allowed under s. 41, IRC, which exceeds the base amount, defined as the average of the qualified research expenses incurred in Florida for the four tax years prior to the calendar year for which the credit is determined. The Florida credit may be prorated if the total credits applied for by all applicants exceed the credit cap (currently \$9 million). |
| Provisions for recapturing abated taxes                                      | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.  | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.   |
| Type of commitments other than taxes   | N/A   | N/A  |
| Total tax revenues reduced during fiscal year (in thousands)                 | \$12,267  | \$9,163  |

Tax abatement programs, continued:

|  |  |   |
|--|--|---|
| Program Name   | Florida Renew Prod Credit  | Qualified Target Industry Tax Refund Program  |
| Program Purpose  | This credit is available for the production of renewable energy.   | To encourage the growth of higher-wage jobs and a diverse economic base by providing state tax refunds to qualified target industry businesses that originate or expand in the state or that relocate to the state.   |
| Taxes being abated   | Corporate Income Tax   | Sales and Use Tax, Corporate Income Tax, Intangible Personal Property Tax, Excise Tax, Ad Valorem Tax, Insurance premium tax, Communication services tax.   |
| Authority under which abatements are entered into                            | s. 220.193, F.S.   | s. 288.106, F.S.  |
| Criteria to be eligible to receive abatements and commitment of the taxpayer | Florida Renewable Energy Production Credit Program provides an annual corporate tax credit equal to \$0.01/kWh of electricity produced and sold by the taxpayer to an unrelated party during a given tax year. The credit may be claimed for electricity produced and sold on or after January 1, 2013, through June 30, 2016. The combined total amount of tax credits which may be granted for all taxpayers under this section is limited to \$5 million in state fiscal year 2012-2013 and \$10 million per state fiscal year in state fiscal years 2013-2014 through 2016-2017. | Applicants must be a new or expanding business in Florida, create a minimum number of new full-time jobs within one or more of Florida's designated targeted industries and meet minimum wage requirements.   |
| How taxes are reduced  | Tax Credit   | Tax Credit or Refund  |
| How amount of abatement is determined  | The Florida Renewable Energy Production Credit, which provided \$5 million for the first fiscal year of the program and \$10 million for subsequent years for an annual corporate tax credit equal to \$0.01/kWh of renewable electricity produced.  | Demonstrate minimum Florida job creation, maintenance and wages paid.   |
| Provisions for recapturing abated taxes                                      | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.   | Revocation of certification and interest, penalties, attorneys' fees and expenses. A qualified target industry business that fraudulently claims a refund under this section commits a felony of the third degree and is liable for repayment of the amount of the refund plus a mandatory penalty. |
| Type of commitments other than taxes   | N/A  | N/A   |
| Total tax revenues reduced during fiscal year (in thousands)                 | \$9,380  | \$11,568  |

Tax abatement programs, continued:

|  |  |   |
|--|--|---|
| Program Name   | Professional Sports Franchises   | Major League Baseball Spring Training Baseball Franchises   |
| Program Purpose  | To attract and retain professional sports franchises by assisting with facility construction and or renovation.  | To attract and retain major league baseball franchises and spring training programs.  |
| Taxes being abated   | Sales and Use Tax  | Sales and Use Tax   |
| Authority under which abatements are entered into                            | s. 220.20 and 288.1162, F.S.   | s. 288.11621 and 288.11631, F.S.  |
| Criteria to be eligible to receive abatements and commitment of the taxpayer | Applicants must meet minimum statutory requirements to be certified and receive funding. Eight governmental entities have been certified and are currently receiving funding.<br><br>Complete renovations and/or construction of the sports facility as described in the original application. | Applicants must meet minimum statutory requirements to be certified and receive funding. A total of eleven governmental entities have been certified and are currently receiving funding. (Originally, the spring training program was included in s. 288.1162, F.S. A total of ten governmental entities were certified in 2001 and 2006, respectively.) |
| How taxes are reduced  | Tax Refund   | Tax Refund  |
| How amount of abatement is determined  | The Florida Department of Economic Opportunity shall serve as the state agency for screening applicants for state funding under s. 212.20, F.S. and for certifying an applicant as a facility for the new or retained professional sports franchise.   | The Florida Department of Economic Opportunity is responsible for certifying eligible applicants and determining allowable refund amounts.  |
| Provisions for recapturing abated taxes                                      | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.   | If erroneous credits are discovered during an audit of the taxpayer's books and records the amount of tax offset by the credit will be assessed.  |
| Type of commitments other than taxes   | N/A  | N/A   |
| Total tax revenues reduced during fiscal year (in thousands)                 | \$16,000   | \$10,500  |



The state had additional tax abatement programs, each amounting to less than \$9 million in revenue and estimated to be reduced in fiscal year 2020-21. In total, these programs resulted in \$21.4 million in estimated tax abatements and include the Florida AMT Credit, Enterprise Zone Jobs Credit, Enterprise Zone Property Credit, Enterprise Industry Financial Incentive Program, Redevelopment Program, Florida Renewal Tech Credit, Professional Golf Hall Fame Facility, Rural Job Tax Credit Program, Hazardous Waste Facility Credit, Emergency Excise Tax Credit, Brownfield Redevelopment Bonus Tax Refund, ROA Building Materials Sales Tax Refund, Rural Job Tax Credit Program, Semi-Conductor Defense and Space Technology Tax Exemption, New and Expanding Business, Rural Area of Opportunity, and Urban High-Crime Area Job Tax Credit Program.

## NOTE 5 - CAPITAL ASSETS

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets' lives are not capitalized.

For financial statement purposes, the state reports capital assets under the following categories and has established a reporting capitalization threshold for each category. Applicable capital assets are depreciated over the appropriate estimated useful lives using the straight-line method.

| <b>Capital Asset Category</b>                                | <b>Financial Statement Capitalizing Threshold</b>  | <b>Estimated Useful Life (in Years)</b> |
|--|--|---|
| <b>Land and other nondepreciable assets</b>                  | Capitalize all   | Not depreciable                         |
| <b>Nondepreciable infrastructure</b>                         | Capitalize all   | Not depreciable                         |
| <b>Construction work in progress</b>                         | \$100,000 when work is completed   | Not depreciable                         |
| <b>Buildings, equipment, and other depreciable assets</b>    |  |   |
| Buildings and building improvements                          | \$100,000  | 5 - 50                                  |
| Infrastructure and infrastructure improvements (depreciable) | \$100,000  | 3 - 50                                  |
| Leasehold improvements                                       | \$100,000  | 2 - 15                                  |
| Intangible assets  | \$4,000,000  | 2 - 30                                  |
| Property under capital lease                                 | Threshold correlates to asset category   | 2 - 20                                  |
| Furniture and equipment                                      | \$5,000 and \$250 for non-circulated books   | 2 - 25                                  |
| Works of art and historical treasures                        | Items capitalized as of June 30, 1999, remain capitalized; capitalize unless considered a collection | 5 - 50                                  |
| Library resources  | \$25   | 5 - 50                                  |
| Other capital assets   | \$5,000  | 3 - 20                                  |

The state has elected to use the modified approach for accounting for its roadways, bridges and other infrastructure assets included in the State Highway System. Under this approach, the Department of Transportation has made the commitment to maintain these assets at levels established by the Department of Transportation and approved by the Florida Legislature. No depreciation expense is reported for such assets, nor are amounts capitalized in connection with improvements that lengthen the lives of such assets, unless the improvements also increase their service potential. The Department of Transportation maintains an inventory of these assets and performs periodic condition assessments to establish that the predetermined condition level is being maintained. In addition, the Department of Transportation makes annual estimates of the amounts that must be expended to maintain these assets at the predetermined condition levels. Refer to the Other Required Supplementary Information for additional information on infrastructure using the modified approach.

Not included in the reported capital assets are the irreplaceable collections at various historic sites and museums throughout the state. For example, the Museum of Florida History, located in Tallahassee, currently has artifacts illustrating the history of Florida since the arrival of human beings on the peninsula. It also has access to collections that include Florida upland and underwater archaeology, Florida archives, and Florida and Spanish colonial numismatics.

Depreciation expense charged to functions of governmental activities for the year ended June 30, 2021, is as follows (in thousands):

|   |                   |
|---|-------------------|
| General Government  | \$ 88,191         |
| Education   | 11,977            |
| Human Services  | 29,573            |
| Criminal Justice & Corrections                              | 79,943            |
| Natural Resources & Environment                             | 61,898            |
| Transportation  | 36,897            |
| Judicial Branch   | 5,284             |
| <b>Total depreciation expense (governmental activities)</b> | <b>\$ 313,763</b> |

Primary government capital asset activities for the fiscal year ended June 30, 2021, are as follows (in thousands):

| <b>GOVERNMENTAL ACTIVITIES</b>                                  |                         |                     |                   |                          |
|---|-------------------------|---------------------|-------------------|--------------------------|
|   | Balance<br>July 1, 2020 | Increases           | Decreases         | Balance<br>June 30, 2021 |
| <b>Capital assets, not being depreciated:</b>                   |                         |                     |                   |                          |
| Land and other nondepreciable assets                            | \$ 20,447,530           | \$ 433,602          | \$ 456            | \$ 20,880,676            |
| Infrastructure and infrastructure improvements - nondepreciable | 52,713,027              | 1,785,940           | 265,515           | 54,233,452               |
| Construction work in progress                                   | 4,712,739               | 619,511             | 147,599           | 5,184,651                |
| <b>Total capital assets, not being depreciated</b>              | <b>77,873,296</b>       | <b>2,839,053</b>    | <b>413,570</b>    | <b>80,298,779</b>        |
| <b>Capital assets, being depreciated:</b>                       |                         |                     |                   |                          |
| Buildings and building improvements                             | 5,646,463               | 118,545             | 46,275            | 5,718,733                |
| Infrastructure and infrastructure improvements                  | 842,284                 | 53,227              | 2,135             | 893,376                  |
| Leasehold improvements  | 8,354                   | 460                 | —                 | 8,814                    |
| Property under capital lease                                    | 176,186                 | 172                 | 21,195            | 155,163                  |
| Furniture and equipment   | 1,871,249               | 155,203             | 140,314           | 1,886,138                |
| Works of art and historical treasures                           | 1,917                   | —                   | 34                | 1,883                    |
| Library resources   | 25,323                  | 40                  | 12                | 25,351                   |
| Other   | 102,872                 | 7,002               | 655               | 109,219                  |
| <b>Total capital assets, being depreciated</b>                  | <b>8,674,648</b>        | <b>334,649</b>      | <b>210,620</b>    | <b>8,798,677</b>         |
| <b>Less accumulated depreciation for:</b>                       |                         |                     |                   |                          |
| Buildings and building improvements                             | 3,241,101               | 171,780             | 36,107            | 3,376,774                |
| Infrastructure and infrastructure improvements                  | 561,667                 | 27,217              | 1,137             | 587,747                  |
| Leasehold improvements  | 5,719                   | 135                 | 1,147             | 4,707                    |
| Property under capital lease                                    | 118,945                 | 9,698               | 20,963            | 107,680                  |
| Furniture and equipment   | 1,423,348               | 100,343             | 84,743            | 1,438,948                |
| Works of art and historical treasures                           | 1,294                   | 60                  | 26                | 1,328                    |
| Library resources   | 17,873                  | 734                 | 11                | 18,596                   |
| Other   | 67,598                  | 3,796               | 267               | 71,127                   |
| <b>Total accumulated depreciation</b>                           | <b>5,437,545</b>        | <b>313,763</b>      | <b>144,401</b>    | <b>5,606,907</b>         |
| <b>Total capital assets, being depreciated, net</b>             | <b>3,237,103</b>        | <b>20,886</b>       | <b>66,219</b>     | <b>3,191,770</b>         |
| <b>Governmental activities capital assets, net</b>              | <b>\$ 81,110,399</b>    | <b>\$ 2,859,939</b> | <b>\$ 479,789</b> | <b>\$ 83,490,549</b>     |

| <b>BUSINESS-TYPE ACTIVITIES</b>                                 |                         |                     |                   |                          |
|---|-------------------------|---------------------|-------------------|--------------------------|
|   | Balance<br>July 1, 2020 | Increases           | Decreases         | Balance<br>June 30, 2021 |
| <b>Capital assets, not being depreciated:</b>                   |                         |                     |                   |                          |
| Land and other nondepreciable assets                            | \$ 1,238,799            | \$ 31,086           | \$ —              | \$ 1,269,885             |
| Infrastructure and infrastructure improvements - nondepreciable | 11,122,875              | 484,893             | 21,965            | 11,585,803               |
| Construction work in progress                                   | 1,606,210               | 668,315             | 411,873           | 1,862,652                |
| <b>Total capital assets, not being depreciated</b>              | <b>13,967,884</b>       | <b>1,184,294</b>    | <b>433,838</b>    | <b>14,718,340</b>        |
| <b>Capital assets, being depreciated:</b>                       |                         |                     |                   |                          |
| Buildings and building improvements                             | 703,715                 | 72,461              | 61,244            | 714,932                  |
| Infrastructure and infrastructure improvements                  | 635,903                 | 12,168              | 185               | 647,886                  |
| Leasehold improvements  | 59                      | —                   | —                 | 59                       |
| Furniture and equipment   | 395,052                 | 40,075              | 21,482            | 413,645                  |
| Library resources   | 18                      | 3                   | 1                 | 20                       |
| Other   | 172,460                 | 39                  | 39                | 172,460                  |
| <b>Total capital assets, being depreciated</b>                  | <b>1,907,207</b>        | <b>124,746</b>      | <b>82,951</b>     | <b>1,949,002</b>         |
| <b>Less accumulated depreciation for:</b>                       |                         |                     |                   |                          |
| Buildings and building improvements                             | 209,540                 | 27,508              | 9,015             | 228,033                  |
| Infrastructure and infrastructure improvements                  | 60,141                  | 32,907              | 6                 | 93,042                   |
| Leasehold improvements  | 25                      | —                   | —                 | 25                       |
| Furniture and equipment   | 272,514                 | 43,544              | 14,732            | 301,326                  |
| Library resources   | 9                       | —                   | —                 | 9                        |
| Other   | 96,793                  | 20,787              | —                 | 117,580                  |
| <b>Total accumulated depreciation</b>                           | <b>639,022</b>          | <b>124,746</b>      | <b>23,753</b>     | <b>740,015</b>           |
| <b>Total capital assets, being depreciated, net</b>             | <b>1,268,185</b>        | <b>—</b>            | <b>59,198</b>     | <b>1,208,987</b>         |
| <b>Business-type activities capital assets, net</b>             | <b>\$ 15,236,069</b>    | <b>\$ 1,184,294</b> | <b>\$ 493,036</b> | <b>\$ 15,927,327</b>     |

Component units' capital asset activities for the fiscal year ended June 30, 2021, are as follows (in thousands):

|   | COMPONENT UNITS         |                      |                     |                          |
|---|-------------------------|----------------------|---------------------|--------------------------|
|   | Balance<br>July 1, 2020 | Increases            | Decreases           | Balance<br>June 30, 2021 |
| <b>Capital assets, not being depreciated:</b>       |                         |                      |                     |                          |
| Land and other non-depreciable assets               | \$ 6,978,930            | \$ 5,841,746         | \$ 5,734,876        | \$ 7,085,800             |
| Construction work in progress                       | 1,954,111               | 1,725,104            | 1,667,848           | 2,011,367                |
| <b>Total capital assets, not being depreciated</b>  | <b>8,933,041</b>        | <b>7,566,850</b>     | <b>7,402,724</b>    | <b>9,097,167</b>         |
| <b>Capital assets, being depreciated:</b>           |                         |                      |                     |                          |
| Buildings and building improvements                 | 22,104,617              | 889,469              | 279,996             | 22,714,090               |
| Infrastructure and infrastructure improvements      | 4,044,312               | 2,454,711            | 2,143,631           | 4,355,392                |
| Leasehold improvements                              | 613,072                 | 267,419              | 17,029              | 863,462                  |
| Property under capital lease                        | 320,786                 | 44,199               | 182,328             | 182,657                  |
| Furniture and equipment                             | 4,490,819               | 547,528              | 352,028             | 4,686,319                |
| Works of art and historical treasures               | 3,851                   | 344                  | —                   | 4,195                    |
| Library resources                                   | 1,065,528               | 27,068               | 10,584              | 1,082,012                |
| Other   | 500,370                 | 117,763              | 117,002             | 501,131                  |
| <b>Total capital assets, being depreciated</b>      | <b>33,143,355</b>       | <b>4,348,501</b>     | <b>3,102,598</b>    | <b>34,389,258</b>        |
| <b>Less accumulated depreciation for:</b>           |                         |                      |                     |                          |
| Buildings and building improvements                 | 8,816,681               | 698,181              | 121,801             | 9,393,061                |
| Infrastructure and infrastructure improvements      | 1,558,472               | 575,750              | 492,467             | 1,641,755                |
| Leasehold improvements                              | 232,205                 | 29,786               | 7,064               | 254,927                  |
| Property under capital lease                        | 121,948                 | 14,139               | 2,909               | 133,178                  |
| Furniture and equipment                             | 3,418,594               | 429,043              | 259,615             | 3,588,022                |
| Works of art and historical treasures               | 2,345                   | 209                  | —                   | 2,554                    |
| Library resources                                   | 901,045                 | 32,968               | 10,504              | 923,509                  |
| Other   | 379,154                 | 133,664              | 112,966             | 399,852                  |
| <b>Total accumulated depreciation</b>               | <b>15,430,444</b>       | <b>1,913,740</b>     | <b>1,007,326</b>    | <b>16,336,858</b>        |
| <b>Total capital assets, being depreciated, net</b> | <b>17,712,911</b>       | <b>2,434,761</b>     | <b>2,095,272</b>    | <b>18,052,400</b>        |
| <b>Component units capital assets, net</b>          | <b>\$ 26,645,952</b>    | <b>\$ 10,001,611</b> | <b>\$ 9,497,996</b> | <b>\$ 27,149,567</b>     |

## NOTE 6 - PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

### A. Pensions

The Florida Department of Management Services (Department) is part of the primary government of the State of Florida and is responsible for administering the Florida Retirement System (FRS) Pension Plan and Other State-Administered Systems. For the fiscal year ended June 30, 2021, the Department administered three defined benefit plans, two defined contribution plans, a supplemental funding of defined benefit plans for municipal police officers and firefighters, and various general revenue funded pension programs. Beginning with the fiscal year ended June 30, 2014, the Department issued a publicly-available, audited annual comprehensive financial report (ACFR) that includes financial statements, notes and required supplementary information for each of the pension plans which it administers. Detailed information about the plans is provided in the FRS ACFR which is available online or by contacting the Department.

Copies for this report, as well as the plans' actuarial valuations, can be obtained from the Department of Management Services, Division of Retirement (Division), Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-90000; by telephone toll free at 877-377-1737 or 850-488-5706; by email at [REP@dms.fl.gov](mailto:REP@dms.fl.gov); or at the Division's website ([www.frs.myflorida.com](http://www.frs.myflorida.com)).

### 1. Defined Benefit Plans

#### The Florida Retirement System

The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans – the FRS defined benefit pension plan (Pension Plan) and the FRS Investment Plan. The FRS Pension Plan was created in Chapter 121, Florida Statutes (F.S.), effective December 1, 1970, by consolidating and closing these existing plans to new members: the Teachers' Retirement System (Chapter 238, F.S.), the State and County Officers and Employees' Retirement System (Chapter 122, F.S.), and the Highway Patrol Pension Trust Fund (Chapter 321, F.S.). In 1972, the Judicial Retirement System (Chapter 123, F.S.) was closed and consolidated into the FRS. The FRS was created to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide the Investment Plan as a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. The FRS Investment Plan is an integrated defined contribution plan administered by the State Board of Administration (SBA). Effective July 1, 2007, the Institute of Food and Agricultural Sciences (IFAS) Supplemental Retirement Program, established under Section 121.40, F.S., was consolidated under the FRS Pension Plan as a closed retirement plan. Participation in the IFAS Supplemental Retirement Program does not constitute membership in the FRS.

Chapter 121, F.S., also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class (SMSC) employed by the state, state elected officials who chose SMSC membership in lieu of Elected Officers' Class membership (EOC), and faculty and other specified positions in the State University System and Florida College System institutions. Provisions relating to the FRS are also contained in Chapter 112, F.S.

#### *Membership*

FRS membership is compulsory for eligible employees filling a regularly established position in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, F.S., or allowed to participate in a non-integrated defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations, although optional, is generally irrevocable after election to participate is made. Members hired into certain positions may be eligible to withdraw from the FRS altogether or elect to participate in the non-integrated optional retirement programs in lieu of the FRS except faculty of a medical college in a state university who must participate in the State University System Optional Retirement Program (SUSORP). Retirees initially reemployed in regularly established positions on or after July 1, 2010, may not participate in the FRS except for defined contribution plan retirees employed in a regularly established position on or after July 1, 2017. FRS Pension Plan retirees remain ineligible for renewed membership.

Retirees of the FRS Investment Plan, the SUSORP, the State Community College System Option Retirement Program (SCCSORP), and the Senior Management Service Optional Annuity Program who are initially reemployed on or after July 1, 2010, and who are employed in a regularly established position on or after July 1, 2017, will be enrolled in the FRS Investment Plan, SUSORP, or SCCSORP based upon the position held as renewed members on or after July 1, 2017.

There are five general classes of membership, as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class* – Members in senior management level positions in state and local governments as well as assistant state attorneys, assistant statewide prosecutors, assistant public defenders, assistant attorneys general, deputy court administrators, assistant capital collateral representatives, criminal conflict and civil regional counsels and their assistant regional counsel chiefs, administrative directors, and chief investigators. Members of the EOC may elect to withdraw from the FRS or participate in the SMSC in lieu of the EOC.
- *Special Risk Class* – Members who are employed as law enforcement officers, firefighters, firefighter trainers, fire prevention officers, state fixed-wing pilots for aerial firefighting surveillance, correctional officers, emergency medical technicians, paramedics, community-based correctional probation officers, youth custody officers (from July 1, 2001, through June 30, 2014), certain health-care related positions within state forensic or correctional facilities, or specified forensic employees of a medical examiner’s office or a law enforcement agency, and meet the criteria to qualify for this class.
- *Special Risk Administrative Support Class* – Former Special Risk Class members who are transferred or reassigned to nonspecial risk law enforcement, firefighting, emergency medical care, or correctional administrative support positions within an FRS special risk-employing agency.
- *Elected Officers’ Class* – Members who are elected state or county officers and the elected officers of cities and special districts that choose to place their elected officials in this class.

Beginning July 1, 2001, through June 30, 2011, the FRS Pension Plan provided for vesting of benefits after six years of creditable service for members working on or after July 1, 2001, and initially enrolled before July 1, 2011. Members not actively working in a position covered by the FRS Pension Plan on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. 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% 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 Pension Plan 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 Pension Plan 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 Pension Plan 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 Pension Plan 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.

### **Benefits**

The Florida Legislature establishes and amends the benefit terms of the FRS Pension Plan. Benefits under the FRS Pension Plan are computed on the basis of age, average final compensation, creditable years of service, and accrual value per year by membership class. Members are also provided in-line-of-duty or regular disability and survivors’ benefits. Pension benefits of eligible retirees and annuitants are increased each July 1 by a cost-of-living adjustment. If the member is initially enrolled in the FRS Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after

July 1, 2011, there is an individually calculated cost-of-living adjustment. This individually calculated annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The DROP became effective July 1, 1998, subject to provisions of Section 121.091(13), F.S. FRS Pension Plan members who reach normal retirement are eligible to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a maximum of 60 months. Authorized instructional personnel may participate in the DROP for up to 36 additional months beyond their initial 60-month participation period but their authorized extended DROP participation must conclude at the end of a school year. Authorized school administrators whose DROP participation ends during a school year may be authorized to extend DROP participation until the end of that school year. Monthly retirement benefits remain in the FRS Trust Fund during DROP participation and accrue interest until the member terminates to finalize retirement. As of June 30, 2021, the FRS Trust Fund held in trust \$2,684,789,035 in accumulated benefits for 34,338 DROP participants. Of these 34,338 DROP participants, 32,202 were active in the DROP with balances totaling \$2,376,000,615. The remaining participants were no longer active in the DROP and had balances totaling \$308,788,420 to be processed after June 30, 2021.

### **Administration**

The Division administers the FRS Pension Plan. The SBA invests the assets of the FRS Pension Plan held in the FRS Trust Fund. Costs of administering the FRS Pension Plan are funded from earnings on investments of the FRS Trust Fund. Reporting of the FRS Pension Plan is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

### **Contributions**

All participating employers must comply with statutory contribution requirements. Section 121.031(3), F.S., requires an annual actuarial valuation of the FRS Pension Plan, which is provided to the Legislature as guidance for funding decisions. Employer and employee contribution rates are established in Section 121.71, F.S. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) are recommended by the actuary but set by the Legislature. Statutes require that any unfunded actuarial liability (UAL) be amortized within 30 plan years. Pursuant to Section 121.031(3)(f), F.S., any surplus actuarial amounts available to offset total retirement system costs are to be amortized over a 10-year rolling period on a level-dollar basis. The balance of legally required reserves for the FRS Pension Plan at June 30, 2021, was \$202,082,182,546. These funds were reserved to provide for total current and future benefits, refunds, and administration of the FRS Pension Plan.

The table below presents FRS employer contribution rates. Rates indicated are uniform rates for all FRS members and include UAL contribution rates. These rates do not include a 1.66% contribution rate for the Retiree Health Insurance Subsidy (HIS) Program and a 0.06% assessment for the administration of the FRS Investment Plan and the educational program available to all FRS members. In addition, the July 1, 2020, statutory employer rates do not include the 3.00% mandatory employee contribution for all membership classes except for members in the DROP.

| Membership Class   | Uniform Employer Rates<br>Recommended by Actuarial<br>Valuation as of July 1, 2019 for<br>Fiscal Year 2020-2021 | July 1, 2020<br>Statutory Rates<br>(Ch. 121, F.S.) |
|--|---|--|
| Regular  | 8.28%   | 8.28%  |
| Senior Management Service  | 25.57%  | 25.57%   |
| Special Risk   | 22.73%  | 22.73%   |
| Special Risk Administrative Support                                    | 34.12%  | 34.12%   |
| Elected Officers - Judges  | 38.01%  | 38.01%   |
| Elected Officers - Legislators/Attorneys/Cabinet                       | 57.19%  | 57.19%   |
| Elected Officers - County  | 47.46%  | 47.46%   |
| DROP - applicable to members from all of the<br>above classes or plans | 15.32%  | 15.32%   |

Employee eligibility, benefits, and contributions by class are as previously described. Employees not filling regular established positions and working under the other personal services or temporary status are not covered by the FRS.

### **Retiree Health Insurance Subsidy Program**

The HIS Program is a non-qualified cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, F.S. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Division. For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, F.S. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2021, the contribution rate was 1.66% of payroll pursuant to Section 112.363, F.S. The state contributed 100% of its statutorily required contributions for the current and preceding two years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, the legislature may reduce or cancel HIS payments.

### **The Florida National Guard Supplemental Retirement Benefit Plan**

The Florida National Guard Supplemental Retirement Benefit Plan (National Guard Benefit) is a single-employer, non-qualified defined benefit pension plan established under Section 250.22, F.S., and is administered by the Division. The Florida Legislature establishes and amends the plan. Florida National Guard retirees must have at least 30 years of Florida National Guard service. Normal retirement is at age 62 with early retirement available beginning at age 60. The monthly benefit is equal to 50% of the federal military pay table for the highest rank held while in the Florida National Guard less the benefit received from the Federal Government for military service. The benefit amount is recalculated whenever the federal military pay table is increased or the federal benefit is increased by a cost of living adjustment. The benefit is payable for the lifetime of the retiree without a survivor benefit option. The table below shows the number of employees covered by the benefit terms as of June 30, 2021.

|                           |               |
|---------------------------|---------------|
| Active Members            | 11,834        |
| Retirees                  | 730           |
| Terminated Vested Members | 396           |
| Total                     | <u>12,960</u> |

The National Guard Benefit is funded by an annual appropriation from General Revenue by the Legislature. Any appropriated funds not obligated for benefit payments owed at June 30 each year revert to the General Revenue Fund.



**Pension Amounts for Defined Benefit Pension Plans*****Net Pension Liability***

At June 30, 2021, the State reported a total liability of \$10,244,285,290 for its proportionate share of the net pension liabilities of the defined benefit, multiple-employer cost-sharing pension plans and its single-employer, non-qualified pension plan. The table below presents the fiduciary net position for the FRS and HIS plans as well as the State's proportion and proportionate share as of the measurement date of June 30, 2020, and the fiduciary net position of the National Guard Benefit as of the measurement date of June 30, 2021:

|                                  | <u>FRS Pension Plan</u> | <u>HIS</u>              | <u>National Guard Benefit</u> | <u>Total</u>             |
|----------------------------------|-------------------------|-------------------------|-------------------------------|--------------------------|
| Plan total pension liability (A) | \$ 204,909,739,000      | \$ 12,588,098,255       | \$ 1,190,776,748              |                          |
| Plan fiduciary net position (B)  | (161,568,265,280)       | (378,261,130)           | —                             |                          |
| Plan net pension liability (A-B) | 43,341,473,720          | 12,209,837,125          | 1,190,776,748                 |                          |
| State's proportion               | 16.981903225 %          | 13.868337484 %          | 100.00 %                      |                          |
| State's proportionate share      | <u>\$ 7,360,207,123</u> | <u>\$ 1,693,301,419</u> | <u>\$ 1,190,776,748</u>       | <u>\$ 10,244,285,290</u> |

The State's proportion of the net pension liability for FRS Pension Plan and HIS was based on contributions paid to the plans by the State relative to the contributions paid by all participating employers. The table below shows the change in proportion since the prior measurement date:

|   | <u>FRS</u>           | <u>HIS</u>           |
|---|----------------------|----------------------|
| State's proportion at prior measurement date, June 30, 2019 | 17.524776601%        | 14.416053158%        |
| State's proportion at measurement date, June 30, 2020       | <u>16.981903225%</u> | <u>13.868337484%</u> |
| Increase / (decrease) in proportion                         | <u>-0.542873376%</u> | <u>-0.547715674%</u> |

The table below shows the changes in National Guard Benefit net pension liability for the fiscal year ended June 30, 2021:

***National Guard Benefit***

| <b>Changes in Net Pension Liability</b>        | <b>Total Pension Liability<br/>(a)</b> | <b>Increase (Decrease)<br/>Plan Fiduciary Net<br/>Position<br/>(b)</b> | <b>Net Pension Liability<br/>(a) - (b)</b> |
|--|--|--|--|
| Balances as of June 30, 2020                   | \$ 1,142,129,836                       | \$ —   | \$ 1,142,129,836                           |
| Changes for the year:                          |  |  |  |
| Service Cost                                   | 24,859,084                             | —  | 24,859,084                                 |
| Interest on total pension liability            | 25,620,062                             | —  | 25,620,062                                 |
| Effect of economic/demographic gains or losses | —                                      | —  | —  |
| Effect of assumptions changes or inputs        | 13,672,669                             | —  | 13,672,669                                 |
| Benefit payments                               | (15,504,903)                           | (15,504,903)   | —  |
| Employer contributions                         | —                                      | 15,550,903   | (15,550,903)                               |
| Administrative expenses                        | —                                      | (46,000)   | 46,000                                     |
| Balances as of June 30, 2021                   | \$ 1,190,776,748                       | \$ —   | \$ 1,190,776,748                           |

***Actuarial Methods and Assumptions***

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The Department determines the assumptions in the valuations for GASB Statement No. 67 reporting purposes. The FRS Pension Plan's GASB Statement No. 67 valuation is performed annually. The HIS program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period

July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation as of the measurement date of July 1, 2020, using the Individual Entry Age Normal actuarial cost method. Inflation increases for the FRS Pension Plan and the HIS is assumed at 2.40%. Payroll growth for both plans is assumed at 3.25%.

Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.80%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating employers will be made at the statutorily required rates. Based on these assumptions, the 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 and was applied to all periods of projected benefit payments to determine the total pension liability.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.21% was used to determine the total pension liability for the program. Mortality assumptions for both plans were based on the Generational PUB-2010 with Projection Scale MP-2018 tables.

There were no changes in benefit terms for FRS that affected the total pension liability since the prior measurement date. There were no changes in benefit terms for HIS that affected the total pension liability since the prior measurement date. There were no changes between the measurement date and the reporting date which significantly impact the State's proportionate share of the net pension liability, deferred outflows, deferred inflows and pension expense for either FRS Pension Plan or HIS.

The following changes in actuarial assumptions occurred in 2020:

- FRS Pension Plan: The long-term expected rate of return was reduced from 6.90% to 6.80%.
- HIS: The municipal rate used to determine total pension liability decreased from 3.50% to 2.21%.

The long-term expected rate of return on FRS Pension Plan investments was determined using a forward-looking capital market economic model, which includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| <b>Asset Class</b>     | <b>Target Allocation</b> | <b>Long-Term Expected Real Rate of Return</b> |
|------------------------|--------------------------|---|
| Cash                   | 1.0%                     | 2.2%  |
| Fixed income           | 19.0%                    | 3.0%  |
| Global equity          | 54.2%                    | 8.0%  |
| Real estate (property) | 10.3%                    | 6.4%  |
| Private equity         | 11.1%                    | 10.8%   |
| Strategic investments  | 4.4%                     | 5.5%  |
|                        | <u>100.0%</u>            |   |

The National Guard Benefit has not had a formal actuarial experience study performed. Due to the pay-as-you-go nature of the program, full actuarial valuations will be conducted in even-numbered years. Liabilities for odd-numbered years will be developed based on the results of a full actuarial valuation using standard actuarial roll-forward techniques. The total pension liability was determined by an actuarial valuation as of the valuation date, July 1, 2020, using the Individual Entry Age Normal actuarial cost method. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of a later GASB measurement date using standard actuarial roll forward procedures. The inflation rate was assumed at 2.40%, the annual increase in Federal Military Pay tables is assumed at 2.00%<sup>1</sup>, and the Cost-of-Living adjustments are assumed at 2.80%.

<sup>1</sup> Varied by service; separate tables for officer and enlisted. See July 1, 2020 valuation.

Because the National Guard Benefit uses a pay-as-you-go funding structure, a municipal bond rate of 2.16% was used to determine the total pension liability for the program. Mortality assumptions for the plan was based on the Generational PUB-2010 with Projection Scale MP-2018 tables.

There were no changes in benefit terms to the National Guard Benefit that affected the total pension liability since the prior measurement date.

The following change in actuarial assumptions occurred in 2021 for the National Guard Benefit:

- The municipal bond rate used to determine total pension liability decreased from 2.21% to 2.16%.

**Sensitivity Analysis**

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the State’s proportionate share of the FRS and HIS plan’s net pension liability and the National Guard Benefit net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

| <i>FRS Pension Plan</i>      |  |                              | <i>HIS</i>                   |  |                              |
|------------------------------|--|------------------------------|------------------------------|--|------------------------------|
| <b>1% Decrease<br/>5.80%</b> | <b>Current Discount<br/>Rate 6.80%</b> | <b>1% Increase<br/>7.80%</b> | <b>1% Decrease<br/>1.21%</b> | <b>Current Discount<br/>Rate 2.21%</b> | <b>1% Increase<br/>3.21%</b> |
| \$11,753,013,847             | \$7,360,207,123                        | \$3,691,315,840              | \$1,957,380,870              | \$1,693,301,419                        | \$1,477,153,161              |

| <i>National Guard Benefit</i> |  |                              |
|-------------------------------|--|------------------------------|
| <b>1% Decrease<br/>1.16%</b>  | <b>Current Discount<br/>Rate 2.16%</b> | <b>1% Increase<br/>3.16%</b> |
| \$1,514,932,086               | \$1,190,776,748                        | \$953,333,234                |

**Pension Expense and Deferred Outflows / (Inflows) of Resources**

In accordance with GASB Statement No. 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Changes in proportion and differences between contributions and proportionate share of contributions – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employee).
- Differences between expected and actual earnings on pension plan investments – amortized over five years.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2020, was 5.9 years for FRS Pension Plan and 7.2 years for HIS.

The State's proportionate share of the components of collective pension expense and deferred outflows and inflows of resources reported in the pension allocation schedules for the measurement date year ended June 30, 2020, are presented below for each plan.

**FRS Pension Plan**

|  | <b>Recognized in Expense<br/>Reporting Period Ending<br/>June 30, 2021</b> | <b>Recognition<br/>Period</b> | <b>Deferred Outflows of<br/>Resources</b> | <b>Deferred Inflows of<br/>Resources</b> |
|--|--|-------------------------------|---|--|
| Service cost   | \$ 449,588,441   | Current                       | \$ —                                      | \$ —                                     |
| Interest cost  | 2,285,582,326  | Current                       | —   | —  |
| Effect of plan changes   | —  | Current                       | —   | —  |
| Effect of economic/demographic gains or losses (difference between expected and actual experience)   | 137,750,387  | 5.9 years                     | 281,690,103                               | —  |
| Effect of assumptions changes or inputs  | 464,840,465  | 5.9 years                     | 1,332,431,665                             | —  |
| Member contributions   | (127,101,884)  | Current                       | —   | —  |
| Projected investment earnings  | (1,874,365,964)  | Current                       | —   | —  |
| Changes in proportion and differences between contributions and proportionate share of contributions | (22,926,346)   | 5.9 years                     | 136,403,917                               | (292,227,221)                            |
| Net difference between projected and actual investment earnings                                      | 205,753,898  | 5 years                       | 438,233,809                               | —  |
| Contributions subsequent to the measurement date   | —  | 1 year                        | 617,286,070                               | —  |
| Administrative expenses  | 3,660,621  | Current                       | —   | —  |
| <i>Total</i>   | <u>\$ 1,522,781,944</u>  |                               | <u>\$ 2,806,045,564</u>                   | <u>\$ (292,227,221)</u>                  |

**Health Insurance Subsidy**

|  | <b>Recognized in Expense<br/>Reporting Period Ending<br/>June 30, 2021</b> | <b>Recognition<br/>Period</b> | <b>Deferred Outflows of<br/>Resources</b> | <b>Deferred Inflows of<br/>Resources</b> |
|--|--|-------------------------------|---|--|
| Service cost   | \$ 36,823,308  | Current                       | \$ —                                      | \$ —                                     |
| Interest cost  | 55,849,006   | Current                       | —   | —  |
| Effect of plan changes   | —  | Current                       | —   | —  |
| Effect of economic/demographic gains or losses (difference between expected and actual experience)   | 11,747,418   | 7.2 years                     | 69,266,292                                | (1,306,279)                              |
| Effect of assumptions changes or inputs  | 36,052,757   | 7.2 years                     | 182,078,124                               | (98,458,871)                             |
| Member contributions   | (51,245)   | Current                       | —   | —  |
| Projected investment earnings  | (1,636,693)  | Current                       | —   | —  |
| Changes in proportion and differences between contributions and proportionate share of contributions | (22,610,959)   | 7.2 years                     | 62,586,376                                | (147,915,945)                            |
| Net difference between projected and actual investment earnings                                      | 548,890  | 5 years                       | 1,351,945                                 | —  |
| Contributions subsequent to the measurement date   | —  | 1 year                        | 80,596,698                                | —  |
| Administrative expenses  | 23,904   | Current                       | —   | —  |
| <i>Total</i>   | <u>\$ 116,746,386</u>  |                               | <u>\$ 395,879,435</u>                     | <u>\$ (247,681,095)</u>                  |

The average expected remaining service life of all employees provided with pensions through the National Guard defined benefit single-employer plan at June 30, 2021, was 11.9 years. The State's pension expense and deferred outflows and deferred inflows of resources reported for the fiscal year ended June 30, 2021, are presented below for the plan.

**National Guard Benefit Plan**

|  | <b>Recognized in<br/>Expense Reporting<br/>Period Ending<br/>June 30, 2021</b> | <b>Recognition<br/>Period</b> | <b>Deferred Outflows of<br/>Resources</b> | <b>Deferred Inflows of<br/>Resources</b> |
|--|--|-------------------------------|---|--|
| Service cost   | \$ 24,859,084  | Current                       | \$ —                                      | \$ —                                     |
| Interest cost  | 25,620,062   | Current                       | —   | —  |
| Effect of economic/demographic gains or losses (difference between expected and actual experience) | 7,840,195  | 11.9 years                    | 59,366,920                                | —  |
| Effect of assumptions changes or inputs  | 45,296,339   | 11.9 years                    | 427,280,921                               | (54,026,424)                             |
| Administrative expenses  | 46,000   | Current                       | —   | —  |
| <i>Total</i>   | <u>\$ 103,661,680</u>  |                               | <u>\$ 486,647,841</u>                     | <u>\$ (54,026,424)</u>                   |

Deferred outflows of resources related to contributions paid subsequent to the measurement date as shown in the tables above will be recognized as a reduction of the net pension liability in the reporting period ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

| <b>Reporting Period<br/>Ending June 30,</b> | <b>FRS Pension Plan<br/>Expense</b> | <b>HIS Expense</b>   | <b>National Guard<br/>Benefit Expense</b> |
|---|-------------------------------------|----------------------|---|
| <b>2022</b>                                 | \$ 388,687,985                      | \$ 21,971,687        | \$ 53,136,534                             |
| <b>2023</b>                                 | 620,773,114                         | 13,026,668           | 53,136,534                                |
| <b>2024</b>                                 | 528,424,775                         | (6,658,924)          | 53,136,534                                |
| <b>2025</b>                                 | 306,272,414                         | 9,834,243            | 52,663,205                                |
| <b>2026</b>                                 | 52,373,995                          | 16,239,197           | 49,984,630                                |
| <b>Thereafter</b>                           | —                                   | 13,188,773           | 170,563,980                               |
| <i>Total</i>                                | <u>\$ 1,896,532,283</u>             | <u>\$ 67,601,644</u> | <u>\$ 432,621,417</u>                     |

***Payables to the Pension Plans***

The State reported payables of \$58.9 million to the FRS Pension Plan, and \$1.6 million to the HIS Program as of June 30, 2021, for legally required contributions to the plans.

## **2. Defined Contribution Programs**

### **FRS Investment Plan**

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the plan. Retirement benefits are based upon the value of the member's account upon retirement. The FRS Investment Plan provides vesting after one year of service regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, the years of service required for vesting under the Pension Plan (including the service credit represented by the transferred funds) is required to be vested for these funds and the earnings on the funds. The employer pays a contribution as a percentage of salary that is deposited into the individual member's account. Effective July 1, 2011, there is a mandatory employee contribution of 3.00%. The FRS Investment Plan member directs the investment from the options offered under the plan. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer assessment of 0.06% of payroll and by forfeited benefits of plan members. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the FRS Investment Plan, receive a lump-sum distribution, or leave the funds invested for future distribution. Upon receiving a distribution, other than a de minimis distribution or required minimum distribution, the member is a retiree. Disability coverage is provided for total and permanent disability (non-duty or line of duty); the employer pays an employer contribution to fund the disability benefit which is deposited in the FRS Trust Fund. The member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the FRS Investment Plan and rely upon that account balance for retirement income. Survivor benefit coverage is provided to the surviving spouse or dependent children of members who die in line of duty; the employer pays an employer contribution to fund the survivor benefit which is deposited in the FRS Trust Fund. The member's account balance must be transferred to the FRS Pension Plan when approved for survivor benefits to receive guaranteed lifetime monthly benefits under the FRS Pension Plan for the surviving spouse or on behalf of the dependent children until the youngest unmarried dependent child reaches age 18, or up to age 25 if unmarried and enrolled as a fulltime student.

### **State University System Optional Retirement Program**

Section 121.35, F.S., created the SUSORP for eligible State University System faculty, administrators, and administrative and professional staff. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the program. This program is designed to aid universities in recruiting employees who may not remain in the FRS long enough to vest. The SUSORP is a defined contribution plan that, upon signing an investment contract, provides full and immediate vesting of all contributions paid on behalf of the participants to the participating provider companies to invest as directed by the participant to provide retirement and death benefits. Employees in eligible positions are compulsory participants in the SUSORP unless they elect FRS membership. Faculty in a college of medicine with a faculty practice plan are mandatory SUSORP participants and cannot elect FRS membership.

The employing universities were statutorily required to contribute 5.15% of the participants' gross monthly compensation from July 2020, through June 2021. In accordance with Section 121.35, F.S., 0.01% of the employer contribution rate was used for the administration of the SUSORP program and 5.14% was distributed to the provider companies designated by the participant. SUSORP members are not eligible to receive HIS Payments from the HIS Trust Fund. There is a HIS component included in the employer's contribution deposited in the members' accounts. Effective July 1, 2011, there is a mandatory employee contribution of 3.00%. A participant may contribute by salary reduction an amount not to exceed the percentage contributed by the university. In addition to the employer funding to the participants' accounts, the employing universities are required to make a contribution as a percent of covered payroll that is transferred to the FRS Trust Fund to help amortize any UAL. The required UAL contribution rate for fiscal year 2020-21 was 3.44%.

### **Senior Management Service Optional Annuity Program (SMSOAP)**

Section 121.055, F.S., created the SMSOAP as an optional retirement program alternative for state members of the SMSC. Employees in eligible state positions may make an irrevocable election to participate in the SMSOAP in lieu of the SMSC. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the program and closed the program to new members effective July 1, 2017.

The SMSOAP is a defined contribution plan that, upon signing an investment contract, provides full and immediate vesting of all contributions paid on behalf of the participants to the participating provider companies. Participants direct the investment of contributions to provide retirement and death benefits. Employers were required to contribute 6.27% of covered payroll from

July 2020 through June 2021. The employers' contributions were paid to the provider companies designated by the participant. Effective July 1, 2011, there is a mandatory employee contribution of 3.00%. A participant may contribute by salary reduction or deduction an amount not to exceed the percentage contributed by the employer. In addition to the employer funding to the participants' accounts, the state agencies are required to make a contribution as a percent of covered payroll that is transferred to the FRS Trust Fund to help amortize the UAL. The required UAL contribution rate for fiscal year 2020-21 was 19.18%.

### ***Pension Amounts for Defined Contribution Plans***

As of June 30, 2021, the State reported the following pension amounts related to the defined contribution plans:

| <b>Reporting Period<br/>Ended<br/>June 30, 2021</b> | <b>FRS<br/>Investment Plan</b> | <b>Optional Retirement<br/>Plan</b> | <b>Optional<br/>Annuity Program</b> |
|---|--------------------------------|-------------------------------------|-------------------------------------|
| <i>Pension Expense</i> <sup>1,2</sup> \$            | 83,457,307 \$                  | 69,952,951 \$                       | 53,628                              |
| <i>Forfeitures</i>                                  | 4,878,210                      | —                                   | —                                   |
| <i>Pension Liability</i>                            | 2,882,013                      | 4,253                               | —                                   |

<sup>1</sup> Pension expense excludes the required UAL which is recognized in the Defined Benefit Pension Plan as contributions.

<sup>2</sup> The amount of forfeitures is not reflected in pension expense recognized by the State and is used to offset administrative costs.

### **B. Other Postemployment Benefits (OPEB)**

The Division of State Group Insurance (DSGI) within the Department is responsible for administering the State Employees' Group Health Insurance Program. The program covers retired employees and is considered an other postemployment benefits plan.

#### **Plan Description**

The DSGI Other Postemployment Benefits Plan (OPEB Plan) is a multiple-employer defined benefit plan which provides healthcare benefits to retired state and university employees in accordance with Section 110.123, Florida Statutes (F.S.). Pursuant to the provisions of Section 112.0801, F.S., all public employers that offer benefits through a group insurance plan shall allow their retirees and their eligible dependents the option to continue participation in the plan during retirement. As a part of normal retirement, a retiree has 60 days after separation to elect post-retirement health coverage. After 60 days, they are no longer entitled to benefits. A retiree is defined as any officer or employee who retires under a State retirement system or State optional annuity or retirement program or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition, any officer or employee who retires under the Florida Retirement System Investment Plan is considered a "retiree" if he or she meets the age and service requirements to qualify for normal retirement or has attained the age of 59.5 years and has the years of service required for vesting. The law also requires the claims experience of the retirees under 65 group to be combined with the claims experience of active employees for premium determination and the premium offered to retired employees to be no more than the premium applicable to active employees. As a result, the state implicitly subsidizes the premium rates paid by retirees due to increasing health care costs with age and the commingling of the claims experience in a single risk pool with a single premium determination for active employees and retirees under age 65.

There are six participating employers including, the primary government of the state and 14 discretely presented component units which are reported as one employer in the valuation, along with five other governmental entities. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Benefit provisions as described by Section 110.123, F.S., and contributions, can be amended by the Florida Legislature. The Governor's recommended budget and the General Appropriations Act provide for a premium level necessary for funding the program each year on a pay-as-you-go basis.

**Benefits Provided**

The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All non-OPS employees of the State are eligible to receive postemployment health care benefits. Four types of health plans are offered to eligible participants:

- Standard statewide Preferred Provider Organization (PPO) Plan.
- High Deductible PPO Plan.
- Standard Health Maintenance Organization (HMO) Plan.
- High Deductible HMO Plan.

HMO coverage is available only to those retirees who live or work in the HMO's service area. The four PPO and HMO options are considered managed-care plans and have specific provider networks.

**Employees covered by benefit terms**

At valuation date of July 1, 2020, there were 194,496 employees covered by the OPEB Plan, as shown in the following table:

|                              |         |
|------------------------------|---------|
| Active members               | 137,884 |
| No coverage active members   | 21,032  |
| Retired and inactive members | 35,580  |
| Total employees              | 194,496 |

There are currently zero inactive plan members entitled to but not yet receiving benefits because the OPEB Plan does not provide a vested termination benefit.

**Contributions**

Retirees participating in the group insurance plans offered by the State of Florida are required to contribute 100% of the premiums. The State of Florida implicitly subsidizes the healthcare premium rates paid by retirees by allowing them to participate in the same health plan offered to active employees. Retirees under age 65 pay the same premium amounts as applicable to the active employees. Retirees over age 65 are included in the overall risk pool but pay a lesser premium amount than is applicable to active employees because Medicare is the primary payer. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible.

Note that the projected post-65 employee contributions for the fully-insured HMO plan are assumed to cover the entire cost of the program.

**Total OPEB Liability**

As of June 30, 2021, the State reported a total OPEB liability of \$10,290,045,182 of which the State (primary government) and its component units reported \$7,158,798,255 and \$3,131,246,927, respectively, for its proportionate share of the total OPEB liability measured as of June 30, 2020. The table below presents the State and its component units proportion change since the prior measurement date:

|   | <b>State</b>      | <b>Component Units</b> |
|---|-------------------|------------------------|
| Proportion at prior measurement date, June 30, 2019 | 72.420726371349 % | 27.579273628651 %      |
| Proportion at measurement date, June 2020           | 69.570134322856 % | 30.429865677144 %      |
| Increase / (Decrease) in proportion                 | (2.850592048493)% | 2.850592048493 %       |



**Actuarial Assumptions and Other Inputs**

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

|  |   |
|--|---|
| Valuation date                           | July 1, 2020  |
| Measurement date                         | June 30, 2020   |
| Actuarial cost method                    | Entry age normal  |
| Amortization method                      | The recognition period for the changes in assumption and proportionate share is 8 years   |
| Actuarial value of assets                | N/A   |
| Inflation                                | 2.60%   |
| Salary Increases                         | Varies by FRS Class   |
| Discount rate                            | 2.66%   |
| Healthcare cost trend rates              | 7.78% for PPO and 5.66% for HMO for 2020, decreasing to 7.74% and increasing to 5.91%, respectively, by 2023, then decreasing to 4.04% for PPO and HMO by 2075 and holding going forward.     |
| Retirees' share of benefit-related costs | 100% of projected health insurance premiums for retirees  |
| Medical aging factors                    | 4% per year prior to age 65<br>3% per year between ages 65 and 75<br>2% per year between ages 75 and 85<br>0% per year thereafter   |
| Marital status                           | 80% assumed married, with male spouses 3 years older than female spouses  |
| Health care participation (HMO)          | 50% participation assumed, with 25% electing spouse coverage. Members who elected no coverage as actives are assumed to elect coverage in the same proportion as active members with coverage |
| Health care participation (PPO)          | 50% participation assumed, with 35% electing spouse coverage. Members who elected no coverage as actives are assumed to elect coverage in the same proportion as active members with coverage |

The discount rate of 2.66% was based on a 20-year S&P Municipal Bond Index as of the measurement date. The discount rate changed from 2.79% for the opening balance as of June 30, 2019 to 2.66% as of June 30, 2020 actually resulting in an overall increase in total OPEB liability.

Mortality rates were based on the Pub-2010 mortality tables with fully generational improvement using Scale MP-2018.

The same demographic assumptions that were used for the Florida Retirement System July 1, 2018 Actuarial Valuation were used in the June 30, 2019 Actuarial Valuation. The demographic assumptions were based on the 2014 Experience Study prepared by Milliman on September 8, 2014. Updated Assumptions for the FRS July 1, 2018 Actuarial Valuation were approved by the 2018 FRS Actuarial Assumptions Conference. The assumptions are reasonable for valuing the retiree health costs of the Program since the covered populations of both plans are similar. Additionally, the 2016 mortality tables reflect improvements in mortality using the Society of Actuaries most recently published projection scale BB.

The healthcare trends used in this valuation are based on long term healthcare trends generated by the Getzen Model. The Getzen Model is the result of research sponsored by the Society of Actuaries and completed by a committee of economists and actuaries. Medical trend rates consistent with the August 2020 Report on the Financial Outlook of the Plan along with information from the Getzen Model and actuarial judgment were used in the June 30, 2020 Actuarial Valuation. The trend rates for the HMO self-insured and fully insured option were blended to create a single trend assumption for retirees electing HMO coverage. The first five trend rates were developed using the claims and administrative cost information from the August 2020 Report on the Financial Outlook of the Plan.

Retirees participating in the group insurance plans offered by the State of Florida are required to contribute 100% of the premiums. Retiree contributions were not as high as expected based on the expected increases from July 1, 2015, to July 1, 2017. As such, the net implicit subsidy gap further widened and costs increased.

**Changes in Total OPEB Liability (in thousands)**

See chart below for details.

| <b>Changes in Total OPEB Liability</b>   | <b>State</b> | <b>Component Units</b> | <b>Total</b>  |
|--|--------------|------------------------|---------------|
| Reporting period ending June 30, 2020  | \$ 9,167,196 | \$ 3,491,053           | \$ 12,658,249 |
| Changes for the year:  |              |                        |               |
| Service cost   | 457,436      | 200,082                | 657,518       |
| Interest   | 249,614      | 109,181                | 358,795       |
| Changes of benefit terms   | —            | —                      | —             |
| Differences between expected and actual experience   | (261,255)    | (114,272)              | (375,527)     |
| Changes of assumptions or other inputs   | (1,979,476)  | (865,820)              | (2,845,296)   |
| Benefit payments   | (118,548)    | (45,146)               | (163,694)     |
| Changes of proportionate shares to the total OPEB liability and difference between the actual benefit payments and expected benefit payments | (356,169)    | 356,169                | —             |
| Other changes  | —            | —                      | —             |
| Net changes  | (2,008,398)  | (359,806)              | (2,368,204)   |
| Reporting period ending June 30, 2021  | \$ 7,158,798 | \$ 3,131,247           | \$ 10,290,045 |

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following table demonstrates the sensitivity of the total OPEB liability to changes in the discount rate. The sensitivity analysis shows the impact to the state's proportionate share of the total OPEB liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate (expressed in thousands):

|                        | <b>1% Decrease<br/>1.66%</b> | <b>Current Discount<br/>Rate 2.66%</b> | <b>1% Increase<br/>3.66%</b> |
|------------------------|------------------------------|--|------------------------------|
| <b>State</b>           | \$ 8,769,635                 | \$ 7,158,798                           | \$ 5,910,345                 |
| <b>Component Units</b> | 3,912,312                    | 3,131,247                              | 2,540,436                    |
| <b>Total</b>           | \$ 12,681,947                | \$ 10,290,045                          | \$ 8,450,781                 |

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following table demonstrates the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The sensitivity analysis shows the impact to the state's proportionate share of the total OPEB liability if the healthcare cost trend rates were 1.00% higher or 1.00% lower than the current healthcare cost trend rate (expressed in thousands):

|                        | <b>1% Decrease</b> | <b>Current<br/>Healthcare Cost<br/>Trend Rate</b> | <b>1% Increase</b> |
|------------------------|--------------------|---|--------------------|
| <b>State</b>           | \$ 5,751,766       | \$ 7,158,798                                      | \$ 9,068,514       |
| <b>Component Units</b> | 2,473,760          | 3,131,247   | 4,037,274          |
| <b>Total</b>           | \$ 8,225,526       | \$ 10,290,045                                     | \$ 13,105,788      |

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

For the fiscal year ended June 30, 2021, the State of Florida recognized OPEB expense of \$282,336,000 and \$123,493,000 for primary governments and the component units respectively. At June 30, 2021, the State of Florida reported deferred outflows of resources and deferred inflows of resources related to OPEB for state primary governments and component units from the following sources (expressed in thousands):

|  | State             |                  | Component Units   |                  |
|--|-------------------|------------------|-------------------|------------------|
|  | Deferred Outflows | Deferred Inflows | Deferred Outflows | Deferred Inflows |
| Differences between expected and actual experience   | \$ —              | \$ (418,269)     | \$ —              | \$ (182,950)     |
| Changes of assumptions or other inputs   | 946,417           | (2,709,149)      | 413,961           | (1,184,978)      |
| Changes of proportionate shares and difference between the actual benefit payments and expected benefit payments | 3,200             | (553,926)        | 553,926           | (3,200)          |
| Transactions subsequent to the measurement date  | 118,434           | —                | 51,803            | —                |
| Total  | \$ 1,068,051      | \$ (3,681,344)   | \$ 1,019,690      | \$ (1,371,128)   |

Amounts reported as deferred outflows of resources related to OPEB resulting from transactions subsequent to the measurement date as shown in the table above will be recognized as a reduction of the total OPEB liability in the reporting period ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (expressed in thousands):

| Year Ending June 30, | State          | Components Units | Total          |
|----------------------|----------------|------------------|----------------|
| 2022                 | \$ (520,216)   | \$ (94,448)      | \$ (614,664)   |
| 2023                 | (520,216)      | (94,448)         | (614,664)      |
| 2024                 | (520,216)      | (94,448)         | (614,664)      |
| 2025                 | (520,216)      | (94,448)         | (614,664)      |
| 2026                 | (365,612)      | (30,756)         | (396,368)      |
| Thereafter           | (285,254)      | 5,310            | (279,944)      |
| Total                | \$ (2,731,730) | \$ (403,238)     | \$ (3,134,968) |

## NOTE 7 - COMMITMENTS AND OPERATING LEASES

### A. Construction Commitments

Road and bridge construction projects, supervised by the Department of Transportation, are included in the Department of Transportation work program, which is updated during each budget cycle. As of June 30, 2021, the Department had available approximately \$11.3 billion in budget authority committed on executed contracts arising from both current and prior year projects. Other major construction commitments of the State of Florida at June 30, 2021, totaled \$486.5 million. Refer to Note 5 for additional disclosures relating to construction in progress. Construction commitments for component units totaled \$2.6 billion.

### B. Florida Ports Financing Commission Revenue Bonds

Section 320.20, Florida Statutes, obligates the state to remit annually \$25 million to a designated trustee for the purpose of repaying the debt on certain Florida Ports Financing Commission revenue bonds. The Florida Ports Financing Commission is not part of the state's reporting entity. These revenue bonds do not create or constitute a legal obligation or debt of the state. Funding for the annual remittance comes from the State of Florida, Department of Transportation's portion of motor vehicle registration fees, which was \$793,643,896 for the fiscal year ended June 30, 2021. The table below represents the Florida Ports Financing Commission revenue bonds outstanding as of June 30, 2021:

| Series             | Amount         |
|--------------------|----------------|
| 2021               | \$ 79,145,000  |
| 2021 (Intermodal)  | 75,675,000     |
| 2011A (Intermodal) | 42,180,000     |
| 2011B (Intermodal) | 29,830,000     |
| Total              | \$ 226,830,000 |

### C. Operating Leases

Operating leases are not recorded on the balance sheets or statements of net assets; however, operating lease payments are recorded as expenditures/expenses when incurred. Total operating lease payments for the state's governmental activities, business-type activities, and major component units were \$128.4 million, \$13.8 million, and \$80.6 million, respectively, for the year ended June 30, 2021. The following is a schedule of future non-cancelable operating lease payments for the primary government and component units at June 30, 2021 (in thousands):

|           | Primary Government         |                             |                    |
|-----------|----------------------------|-----------------------------|--------------------|
|           | Governmental<br>Activities | Business-type<br>Activities | Component<br>Units |
| 2022      | \$ 128,115                 | \$ 13,868                   | \$ 83,824          |
| 2023      | 118,199                    | 12,642                      | 68,389             |
| 2024      | 111,327                    | 12,009                      | 60,728             |
| 2025      | 105,585                    | 11,242                      | 50,679             |
| 2026      | 99,793                     | 11,246                      | 39,583             |
| 2027-2031 | 220,287                    | 26,038                      | 114,108            |
| 2032-2036 | 97,163                     | 7,242                       | 51,194             |
| 2037-2041 | 84,662                     | 6,033                       | 21,410             |
| 2042-2046 | 82,632                     | 1,403                       | 9,312              |
| 2047-2051 | 87,049                     | 8                           | 9,356              |
| 2052-2056 | 86,887                     | —                           | 2,472              |
| 2057-2061 | 91,194                     | —                           | 212                |
| 2062-2066 | 94,970                     | —                           | 212                |
| 2067-2071 | 99,719                     | —                           | 212                |
| 2072-2076 | —                          | —                           | 212                |
| 2077-2081 | —                          | —                           | 212                |
| 2082-2086 | —                          | —                           | 212                |
| 2087-2091 | —                          | —                           | 43                 |
| Total     | \$ 1,507,582               | \$ 101,731                  | \$ 512,370         |

**D. Encumbrances**

As of June 30, 2021, encumbrances for major and nonmajor governmental funds were (in thousands):

|                      | General<br>Fund   | Natural<br>Resources,<br>Environment,<br>and Growth<br>Management | Public<br>Education | Health<br>and<br>Family<br>Services | Transportation   | Nonmajor<br>Governmental<br>Funds | Total               |
|----------------------|-------------------|---|---------------------|-------------------------------------|------------------|-----------------------------------|---------------------|
| <b>Encumbrances:</b> | <u>\$ 340,771</u> | <u>\$ 47,170</u>  | <u>\$1,002,791</u>  | <u>\$ 147,495</u>                   | <u>\$ 67,829</u> | <u>\$ 3,424,063</u>               | <u>\$ 5,030,119</u> |

## NOTE 8 - BONDS PAYABLE AND CERTIFICATES OF PARTICIPATION

## A. Bonds Payable

## 1. Outstanding Bonds

Bonds payable at June 30, 2021, are as follows (in thousands):

| Bond Type   | Original Amount      | Amount Outstanding   | Interest Rates | Annual Maturity To |
|---|----------------------|----------------------|----------------|--------------------|
| <b>Governmental Activities:</b>                   |                      |                      |                |                    |
| Road and Bridge Bonds                             | \$ 2,397,850         | \$ 2,005,510         | 2.000-5.000%   | 2050               |
| DOT Financing Corporation Bonds                   | 319,605              | 290,485              | 3.000-5.000%   | 2035               |
| SBE Capital Outlay Bonds                          | 143,235              | 68,340               | 2.000-5.000%   | 2030               |
| Lottery Education Bonds                           | 1,096,765            | 661,265              | 3.000-5.000%   | 2032               |
| Public Education Bonds                            | 8,152,490            | 6,073,030            | 0.190-6.000%   | 2048               |
| State University System Bonds                     | 119,845              | 75,805               | 3.000-5.000%   | 2033               |
| University Auxiliary Bonds                        | 1,053,385            | 861,085              | 1.540-7.500%   | 2051               |
| Inland Protection Bonds                           | 24,820               | 16,570               | 5.000-5.000%   | 2024               |
| Florida Forever Bonds                             | 969,065              | 460,720              | 2.000-5.000%   | 2029               |
| Water Pollution Control Bonds                     | 214,220              | 188,055              | 3.500-5.250%   | 2030               |
| Florida Facilities Pool Bonds                     | 190,835              | 145,900              | 3.000-5.000%   | 2039               |
| State Infrastructure Bank Bonds                   | 123,615              | 7,005                | 4.250-5.000%   | 2027               |
| Seaport Investment Bonds                          | 138,145              | 114,485              | 4.000-5.000%   | 2043               |
| Everglades Restoration Bonds                      | 197,440              | 141,820              | 3.000-5.000%   | 2035               |
| Federal Highway Reimbursement Bonds               | 242,110              | 226,065              | 5.000-5.000%   | 2032               |
|   | 15,383,425           | 11,336,140           |                |                    |
| Unamortized premiums (discounts) on bonds payable | —                    | 943,951              |                |                    |
| Total Bonds Payable                               | <u>\$ 15,383,425</u> | <u>\$ 12,280,091</u> |                |                    |
| <b>Business-type Activities:</b>                  |                      |                      |                |                    |
| Road and Bridge Bonds                             | \$ 3,456,870         | \$ 2,722,710         | 2.000-5.000%   | 2050               |
| Florida Hurricane Catastrophe Fund Bonds          | 4,700,000            | 4,150,000            | 1.258-2.638%   | 2031               |
|   | 8,156,870            | 6,872,710            |                |                    |
| Unamortized premiums (discounts) on bonds payable | —                    | 174,335              |                |                    |
| Total Bonds Payable                               | <u>\$ 8,156,870</u>  | <u>\$ 7,047,045</u>  |                |                    |

## 2. Types of Bonds

**Capital Outlay Bonds** are issued to finance capital outlay projects of school districts and community colleges. The bonds mature serially and are secured by a pledge of a portion of the state-assessed motor vehicle license tax and by a pledge of the full faith and credit of the state.

**Public Education Capital Outlay Bonds** are issued to finance capital outlay projects of local school districts, community colleges, vocational technical schools, and state universities. The bonds, serial and term, are secured by a pledge of the state's gross receipts tax revenues and by a pledge of the full faith and credit of the state.

**Road and Bridge Bonds** are issued to finance the cost of acquiring real property, or the rights to real property for state roads, or to finance the cost of state bridge construction. The bonds, serial and term, are secured by a pledge of a portion of the state-assessed motor fuel tax revenues, and by a pledge of the full faith and credit of the state.

**Lottery Education Bonds** are issued to finance the costs of various local school district educational facilities. The bonds mature serially and are secured by a pledge of a portion of the lottery revenues transferred to the Educational Enhancement Trust Fund.

**State University System Bonds** are issued to construct university student life facilities. The bonds mature serially and are secured by a system pledge of Capital Improvement Fee revenues.

**University Auxiliary Bonds** are issued to construct university facilities, including primarily parking and student housing. The bonds, serial and term, are secured by university pledges of certain housing system revenues, parking system revenues, student fee assessments and indirect costs grant revenues.

**Everglades Restoration Bonds** are revenue bonds issued to finance the costs of acquisition and improvement of lands, water areas, and related property interests and resources for the purpose of implementing the Comprehensive Everglades Restoration Plan and to fund the Florida Keys Area of Critical State Concern protection program. The bonds mature serially and are secured by a pledge of documentary stamp tax revenues.

**Florida Forever Bonds** are issued to finance the cost of acquisition and improvements of lands, water areas, and related property interests and resources in the State of Florida for the purposes of restoration, conservation, recreation, water resource development, or historical preservation. The bonds mature serially and are secured by a pledge of documentary stamp tax collections.

**Florida Facilities Pool Bonds** are issued to provide funds for the acquisition and construction of facilities to be leased to state agencies. The bonds mature serially and are secured by a pledge of the revenues derived from the leasing and operations of these facilities.

**Federal Highway Reimbursement Bonds** are issued to finance projects eligible for federal-aid highway funds. The bonds mature serially and are secured by a pledge of all revenues received pursuant to Federal Aid Authorization that are legally available for the reimbursement of costs of Eligible Projects under Title 23 of the U.S. Code.

**Seaport Investment Program Bonds** are issued primarily to finance improvements at various seaports within the State of Florida. The bonds, serial and term, are secured by a first lien on the annual allocation of certain fees derived from motor vehicle title certificates to the Seaport Investment Program.

**State Infrastructure Bank Bonds** are issued primarily to finance loans made for the purpose of financing qualified transportation projects. The bonds mature serially and are secured by a pledge of repayments on pledged loans and moneys and investments held in reserve accounts.

**Toll Facilities Bonds** are issued to provide construction funds for roads and bridges. Toll bonds, serial and term, are secured by a pledge of toll facility revenues.

**Inland Protection Bonds** are issued by the Inland Protection Financing Corporation (a blended component unit) for the purpose of financing the rehabilitation of petroleum contaminated sites. The bonds mature serially and are secured by a pledge of moneys derived from a wholesale excise tax primarily on petroleum products.

**Department of Transportation Financing Corporation Bonds** are issued by the Florida Department of Transportation Financing Corporation (a blended component unit) to finance the cost of certain projects within the Department of Transportation's adopted Work Program. The bonds mature serially and are secured by a pledge of moneys deposited in the State Transportation Trust Fund, consisting primarily of revenues derived from fuel taxes, federal aid and motor vehicle fees.

**Florida Water Pollution Control Bonds** are issued by the Florida Water Pollution Control Financing Corporation (a blended component unit) to fund loans to local governments to finance or refinance the cost of wastewater treatment and storm water management projects. The bonds, serial and term, are secured by a pledge of the loan payments from local governments.

**Florida Hurricane Catastrophe Fund Bonds** are issued by the State Board of Administration Finance Corporation. Post-event bonds are issued to maximize the Florida Hurricane Catastrophe Fund's (FHCF) ability to make payments to participating insurers for losses resulting from covered events (hurricanes). The bonds mature serially and are secured by emergency assessments and reimbursement premiums. Pre-event bonds are also issued to provide the FHFC with a source of funds to reimburse participating insurers for losses relating to future covered events and are secured by reimbursement premiums and emergency assessments.



### 3. Pledged Revenues

The table below contains information regarding revenues pledged to repay debt obligations (dollars in thousands). For each Bond Type, the table discloses Gross Revenue, Operating Expenses, Net Revenue Available for Debt Service, Principal, Interest, Coverage Ratio, Final Maturity, Remaining Debt Service, and Revenue Ratio. The Bond Types with Operating Expenses are considered self-supporting debt and are paid from the associated facilities being financed. If Operating Expenses are not shown, the bond type is considered to be Net Tax Supported debt and serviced by dedicated tax or fee revenues.

| Bond Type  | Revenue <sup>2</sup> | Less Operating Expenses | Net Available for Debt Service | Debt Service |                       |                    | Coverage Ratio | Final Maturity | Remaining Debt Service | Revenue Ratio <sup>4</sup> |
|--|----------------------|-------------------------|--------------------------------|--------------|-----------------------|--------------------|----------------|----------------|------------------------|----------------------------|
|  |                      |                         |                                | Principal    | Interest <sup>3</sup> | Total Debt Service |                |                |                        |                            |
| Florida Turnpike (Toll Facility)                 | \$ 1,012,690         | \$ 252,491              | \$ 760,199                     | \$ 145,130   | \$ 112,665            | \$ 257,795         | 2.95           | 2050           | 3,746,800              | 75.07%                     |
| Florida Forever/Everglades <sup>1</sup>          | 4,082,800            | —                       | 4,082,800                      | 122,425      | 35,178                | 157,603            | 25.91          | 2035           | 713,243                | 100.00%                    |
| Lottery Education <sup>1,2</sup>                 | 2,236,639            | —                       | 2,236,639                      | 136,873      | 38,760                | 175,633            | 12.73          | 2032           | 777,966                | 100.00%                    |
| Alligator Alley (Toll Facility)                  | 33,943               | 11,109                  | 22,834                         | 1,990        | 809                   | 2,799              | 8.16           | 2027           | 16,762                 | 67.27%                     |
| Sunshine Skyway                                  | 26,617               | 9,264                   | 17,353                         | 3,025        | 3,848                 | 6,873              | 2.52           | 2038           | 116,822                | 65.20%                     |
| State Infrastructure Bank <sup>1</sup>           | 29,008               | —                       | 29,008                         | 3,560        | 488                   | 4,048              | 7.17           | 2027           | 7,839                  | 100.00%                    |
| Florida Hurricane Catastrophe <sup>5</sup>       | 1,205,946            | 24,120                  | 1,181,826                      | —            | 60,725                | 60,725             | 19.46          | 2031           | 3,907,525              | 98.00%                     |
| State University System Bonds <sup>1</sup>       | 59,488               | —                       | 59,488                         | 10,760       | 3,619                 | 14,379             | 4.14           | 2033           | 91,549                 | 100.00%                    |
| University Auxiliary Bonds                       |                      |                         |                                |              |                       |                    |                |                |                        |                            |
| Parking System Revenue Bonds                     |                      |                         |                                |              |                       |                    |                |                |                        |                            |
| Florida International University                 | 13,502               | 5,770                   | 7,732                          | 2,920        | 2,352                 | 5,272              | 1.47           | 2043           | 75,616                 | 57.26%                     |
| University of South Florida                      | 9,216                | 7,886                   | 1,330                          | 2,665        | 273                   | 2,938              | 0.45           | 2026           | 10,278                 | 14.44%                     |
| University of Florida                            | 12,078               | 6,253                   | 5,825                          | 1,900        | 1,668                 | 3,568              | 1.63           | 2039           | 48,590                 | 48.23%                     |
| Florida Atlantic University                      | 6,202                | 1,793                   | 4,409                          | 1,670        | 402                   | 2,072              | 2.13           | 2032           | 11,645                 | 71.09%                     |
| University of Central Florida                    | 19,210               | 3,964                   | 15,246                         | 2,190        | 688                   | 2,878              | 5.30           | 2032           | 16,174                 | 79.36%                     |
| Florida State University                         | 11,717               | 3,226                   | 8,491                          | 3,791        | 946                   | 4,737              | 1.79           | 2031           | 20,002                 | 72.46%                     |
| Housing System Revenue Bonds                     |                      |                         |                                |              |                       |                    |                |                |                        |                            |
| Florida International University <sup>7</sup>    | 17,435               | 9,786                   | 7,649                          | 4,470        | 2,816                 | 7,286              | 1.05           | 2050           | 199,230                | 43.87%                     |
| University of Florida                            | 40,161               | 31,295                  | 8,866                          | 4,765        | 2,128                 | 6,893              | 1.29           | 2051           | 397,488                | 22.07%                     |
| Florida Atlantic University                      | 13,930               | 6,535                   | 7,395                          | 3,365        | 2,022                 | 5,387              | 1.37           | 2036           | 52,174                 | 53.08%                     |
| University of Central Florida                    | 22,902               | 15,304                  | 7,598                          | 5,270        | 3,064                 | 8,334              | 0.91           | 2042           | 93,832                 | 33.17%                     |
| Florida State University <sup>6</sup>            | 34,598               | 20,247                  | 14,351                         | 8,685        | 6,610                 | 15,295             | 0.94           | 2040           | 181,269                | 41.48%                     |
| Student Health and Wellness Center Revenue Bonds |                      |                         |                                |              |                       |                    |                |                |                        |                            |
| Florida State University <sup>1</sup>            | 15,316               | —                       | 15,316                         | 1,530        | 849                   | 2,379              | 6.44           | 2030           | 15,682                 | 100.00%                    |
| University of North Florida <sup>1,3</sup>       | 4,348                | —                       | 4,348                          | 540          | 521                   | 1,061              | 4.10           | 2036           | 17,731                 | 100.00%                    |
| Student Services Center Revenue Bonds            |                      |                         |                                |              |                       |                    |                |                |                        |                            |
| University of Florida <sup>1</sup>               | 30,157               | —                       | 30,157                         | 1,800        | 1,435                 | 3,235              | 9.32           | 2033           | 38,792                 | 100.00%                    |
| DOT Financing Corporation <sup>1</sup>           | 4,656,544            | —                       | 4,656,544                      | 12,015       | 10,329                | 22,344             | 208.41         | 2035           | 384,389                | 100.00%                    |
| GARVEE <sup>1</sup>                              | 1,907,826            | —                       | 1,907,826                      | 10,815       | 7,749                 | 18,564             | 102.77         | 2032           | 296,168                | 100.00%                    |
| Water Pollution Control Bonds <sup>1</sup>       | 75,116               | —                       | 75,116                         | 26,165       | 4,658                 | 30,823             | 2.44           | 2030           | 207,569                | 100.00%                    |
| Inland Protection Bonds <sup>1</sup>             | 206,486              | —                       | 206,486                        | 5,005        | 1,079                 | 6,084              | 33.94          | 2024           | 18,254                 | 100.00%                    |
| Seaport Investment Program <sup>1</sup>          | 200,000              | —                       | 200,000                        | 2,875        | 5,707                 | 8,582              | 23.31          | 2043           | 188,814                | 100.00%                    |

<sup>1</sup>Operating Expenses are not listed for various programs. For these programs, either no operating expenses reduce revenues available for debt service, or, in the case of the Lottery, include expenses unrelated to the operation of the program, such as payment of lottery prizes. Instead, for these programs, the revenue shown is the amount available to pay debt service.

<sup>2</sup> Refer to Note 8A.2. for information on the sources of pledged revenues. University Auxiliary Bond revenues exclude CARES funds received by universities.

<sup>3</sup> Debt service interest is shown net of interest subsidy payments received from the Federal Government for Build America Bonds.

<sup>4</sup> Revenue Ratio is calculated as Net Available for Debt Service divided by Revenue.

<sup>5</sup> Florida Hurricane Catastrophe Bonds debt service is reduced by interest earnings on bond proceeds and bond proceeds used to repay principal.

<sup>6</sup> Pledged Revenue shortfalls for these programs were covered by the use of other legally available funds. All Fiscal Year 2021 debt service payments for these programs were paid.

<sup>7</sup> Interest payment excludes \$1.37 million of interest paid from Series 2020A Bond proceeds.

#### 4. State Debt Limitations

Section 215.98, F.S., establishes the ratio of tax-supported debt service to tax-supported revenues as the benchmark debt ratio for purposes of setting the state's legal debt margin. Under the policy, if the ratio exceeds 6%, additional tax-supported debt may be authorized only if the Legislature determines the additional debt is in the best interest of the state. If the ratio exceeds 7%, additional tax-supported debt may be authorized only if the Legislature determines it is necessary to address a critical state emergency. During the fiscal year 2020-21, the ratio remained below 6%.

#### 5. Debt Service Requirements

Annual debt service requirements to amortize bonds at June 30, 2021, are as follows (in thousands):

| Year Ending<br>June 30           | Primary Government<br>Governmental Activities |                     |  |                 |                      |
|----------------------------------|---|---------------------|--|-----------------|----------------------|
|                                  | General                                       |                     | Direct Borrowings<br>and Direct Placements |                 | Total                |
|                                  | Principal                                     | Interest            | Principal                                  | Interest        |                      |
| 2022                             | \$ 1,072,880                                  | \$ 468,236          | \$ 2,463                                   | \$ 325          | \$ 1,543,904         |
| 2023                             | 1,045,490                                     | 418,470             | 2,525                                      | 282             | 1,466,767            |
| 2024                             | 949,805                                       | 369,899             | 2,591                                      | 237             | 1,322,532            |
| 2025                             | 900,145                                       | 330,643             | 2,659                                      | 191             | 1,233,638            |
| 2026                             | 763,525                                       | 292,669             | 1,905                                      | 144             | 1,058,243            |
| 2027-2031                        | 3,046,925                                     | 994,487             | 7,927                                      | 277             | 4,049,616            |
| 2032-2036                        | 2,058,410                                     | 449,015             | —  | —               | 2,507,425            |
| 2037-2041                        | 876,480                                       | 170,597             | —  | —               | 1,047,077            |
| 2042-2046                        | 405,620                                       | 70,982              | —  | —               | 476,602              |
| 2047-2051                        | 196,790                                       | 12,970              | —  | —               | 209,760              |
| Bonds payable and interest       | 11,316,070                                    | 3,577,968           | 20,070                                     | 1,456           | 14,915,564           |
| Unamortized premiums (discounts) | 943,951                                       | —                   | —  | —               | 943,951              |
| Total bonds payable and interest | <u>\$ 12,260,021</u>                          | <u>\$ 3,577,968</u> | <u>\$ 20,070</u>                           | <u>\$ 1,456</u> | <u>\$ 15,859,515</u> |

| Year Ending<br>June 30           | Primary Government<br>Business-type Activities |                     |                     |
|----------------------------------|--|---------------------|---------------------|
|                                  | Bonds  |                     |                     |
|                                  | Principal                                      | Interest            | Total               |
| 2022                             | \$ 790,855                                     | \$ 179,753          | \$ 970,608          |
| 2023                             | 139,540  | 164,136             | 303,676             |
| 2024                             | 146,620  | 157,159             | 303,779             |
| 2025                             | 153,495  | 150,302             | 303,797             |
| 2026                             | 1,389,800                                      | 135,390             | 1,525,190           |
| 2027-2031                        | 2,878,960                                      | 479,652             | 3,358,612           |
| 2032-2036                        | 632,850  | 199,635             | 832,485             |
| 2037-2041                        | 408,490  | 95,632              | 504,122             |
| 2042-2046                        | 235,700  | 36,484              | 272,184             |
| 2047-2051                        | 96,400   | 5,478               | 101,878             |
| Bonds payable and interest       | 6,872,710                                      | 1,603,621           | 8,476,331           |
| Unamortized premiums (discounts) | 174,335  | —                   | 174,335             |
| Total bonds payable and interest | <u>\$ 7,047,045</u>                            | <u>\$ 1,603,621</u> | <u>\$ 8,650,666</u> |

| Year Ending<br>June 30           | Component Units     |                     |  |                   |                     |
|----------------------------------|---------------------|---------------------|--|-------------------|---------------------|
|                                  | General             |                     | Direct Borrowings<br>and Direct Placements |                   | Total               |
|                                  | Principal           | Interest            | Principal                                  | Interest          |                     |
| 2022*                            | \$ 410,971          | \$ 134,177          | \$ 87,193                                  | \$ 53,534         | \$ 685,875          |
| 2023                             | 550,650             | 116,446             | 64,363                                     | 51,312            | 782,771             |
| 2024                             | 87,424              | 106,059             | 55,398                                     | 49,678            | 298,559             |
| 2025                             | 108,278             | 103,221             | 65,809                                     | 47,432            | 324,740             |
| 2026                             | 378,744             | 92,101              | 55,685                                     | 45,844            | 572,374             |
| 2027-2031                        | 468,114             | 375,937             | 308,711                                    | 201,177           | 1,353,939           |
| 2032-2036                        | 522,783             | 296,138             | 374,240                                    | 144,677           | 1,337,838           |
| 2037-2041                        | 442,437             | 211,335             | 346,783                                    | 77,724            | 1,078,279           |
| 2042-2046                        | 571,404             | 111,890             | 141,027                                    | 30,197            | 854,518             |
| 2047-2051                        | 337,679             | 25,665              | 35,506                                     | 13,829            | 412,679             |
| 2052-2056                        | 10,165              | —                   | 27,522                                     | 6,719             | 44,406              |
| 2057-2061                        | —                   | —                   | 13,425                                     | 2,734             | 16,159              |
| 2062-2066                        | —                   | —                   | 230  | —                 | 230                 |
| Bonds payable and interest       | 3,888,649           | 1,572,969           | 1,575,892                                  | 724,857           | 7,762,367           |
| Unamortized premiums (discounts) | 155,061             | —                   | (613)                                      | —                 | 154,448             |
| Total bonds payable and interest | <u>\$ 4,043,710</u> | <u>\$ 1,572,969</u> | <u>\$ 1,575,279</u>                        | <u>\$ 724,857</u> | <u>\$ 7,916,815</u> |

\* Some component units have a fiscal year other than June 30 and as a result, June 30, 2021, principal amounts reported will not reconcile with Note 10.

Annual debt service requirements for university capital improvement debt payable at June 30, 2021, are as follows (in thousands):

| Year Ending<br>June 30                              | Universities      |                   |  |                   |                     |
|---|-------------------|-------------------|--|-------------------|---------------------|
|   | General           |                   | Direct Borrowings<br>and Direct Placements |                   | Total               |
|   | Principal         | Interest          | Principal                                  | Interest          |                     |
| 2022  | \$ 47,399         | \$ 21,169         | \$ 10,848                                  | \$ 12,596         | \$ 92,012           |
| 2023  | 35,823            | 19,193            | 11,360                                     | 11,976            | 78,352              |
| 2024  | 34,408            | 17,645            | 10,991                                     | 11,487            | 74,531              |
| 2025  | 34,167            | 16,127            | 16,089                                     | 11,039            | 77,422              |
| 2026  | 33,876            | 14,629            | 15,985                                     | 10,337            | 74,827              |
| 2027-2031   | 159,581           | 52,274            | 80,237                                     | 41,152            | 333,244             |
| 2032-2036   | 98,416            | 24,379            | 52,520                                     | 26,603            | 201,918             |
| 2037-2041   | 52,921            | 11,106            | 47,415                                     | 17,940            | 129,382             |
| 2042-2046   | 22,520            | 4,013             | 47,490                                     | 11,418            | 85,441              |
| 2047-2051   | 14,600            | 1,111             | 53,960                                     | 4,952             | 74,623              |
| Total capital improvement debt payable and interest | 533,711           | 181,646           | 346,895                                    | 159,500           | 1,221,752           |
| Unamortized premiums (discounts)                    | 27,141            | —                 | 36,363                                     | —                 | 63,504              |
| Total capital improvement debt payable and interest | <u>\$ 560,852</u> | <u>\$ 181,646</u> | <u>\$ 383,258</u>                          | <u>\$ 159,500</u> | <u>\$ 1,285,256</u> |

## 6. Advance Refundings and Current Refundings

During the fiscal year ended June 30, 2021, the state took advantage of favorable conditions and issued bonds for the purpose of refunding previously issued bonds. The refundings of these bond series were made in order to obtain lower interest rates and the resulting savings in debt service payments over the life of the bonds. The economic gains obtained by these refundings are the differences between the present value of old debt service and new debt service requirements.

The proceeds of the current refundings were used to immediately call the refunded bonds or were deposited into irrevocable trusts and invested in direct obligation of the Federal government or in Special Purpose Investment Accounts with the State Treasury and used to call refunded bonds within 90 days of the issuance of the refunding bonds. The proceeds of the advance refundings are deposited into irrevocable trusts and invested in direct obligations of the Federal government and/or obligations guaranteed by the Federal government. The funds deposited along with the interest to be earned will be sufficient to meet the future principal and interest payments on the refunded bonds as they become due.

Bonds legally defeased through the consummation of refunding transactions are not included in Florida's outstanding debt. Irrevocable escrow accounts held by the State Board of Administration to service the refunded bonds are reported as agency funds. The following refundings occurred during the fiscal year.

### Advance Refundings

#### Governmental Activities

State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2020 Series D (Taxable) in the amount of \$397,440,000, along with additional funds of \$7,019,080, were used to refund \$70,300,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2008 Series G maturing in the year 2024, \$241,825,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2011 Series D maturing in the years 2022 through 2025, \$31,360,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2012 Series A maturing in the years 2022 through 2023, and \$42,275,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2012 Series B maturing in the years 2022 and 2023. The refunding resulted in debt savings of \$50,991,655, an economic gain of \$50,231,291, and a deferred net gain on refunding of \$8,800,860.

#### Business-type Activities

None.

### Current Refundings

#### Governmental Activities

State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2020 Series C in the amount of \$111,545,000, along with additional funds of \$609,166, were used to refund \$80,300,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2011 Series A maturing in the years 2021 through 2023 and \$39,425,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2011 Series B maturing in the years 2021 and 2022. The refunding resulted in debt savings of \$8,430,643, an economic gain of \$8,379,800, and a deferred net gain on refunding of \$296,823.

State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2021 Series A in the amount of \$134,645,000, along with additional funds of \$1,913,624, were used to refund \$19,760,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2004 Series D maturing in the years 2030 through 2032 and \$157,990,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2011 Series F maturing in the years 2022 through 2032. The refunding resulted in debt savings of \$48,349,384, an economic gain of \$45,530,170, and a deferred net gain on refunding of \$9,869.

State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2021 Series B in the amount of \$272,615,000, along with additional funds of \$3,948,259, were used to refund \$59,460,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Bonds, 2008 Series F maturing in the years 2022 through 2033, 2036, and 2041, \$110,740,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2011 Series C maturing in the years 2022 through 2029, and \$164,450,000 of the State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, 2011 Series E maturing in the years 2022 through 2032. The refunding resulted in debt savings of \$86,031,719, an economic gain of \$81,599,831, and a deferred gain on refunding of \$3,714,037.

State of Florida, Board of Governors, Florida International University Dormitory Revenue Refunding Bonds, Series 2021A in the amount of \$46,365,000, along with additional funds of \$508,284, were used to refund \$7,240,000 of the State of Florida, Board of Governors, Florida International University Dormitory Revenue Refunding Bonds, Series 2011A maturing in the years 2022 through 2025 and \$44,490,000 of the State of Florida, Board of Governors, Florida International University Dormitory Revenue Bonds, Series 2012A maturing in the years 2022 through 2030, 2032, 2034, 2037, and 2041. The refunding resulted in debt savings of \$11,973,920, an economic gain of \$10,291,539, and a deferred net loss on refunding of \$657,461.

State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series 2021A in the amount of \$24,780,000, along with additional funds of \$1,801,578, were used to refund \$14,370,000 of the State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2010A maturing in the years 2022 through 2025, 2030, 2035, and 2040 and \$16,530,000 of the State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2011A maturing in the years 2022 through 2027, 2029, and 2031. The refunding resulted in debt savings of \$8,391,767, an economic gain of \$7,440,309, and a deferred loss on refunding of \$438,071.

State of Florida, Board of Governors, Florida State University Mandatory Student Fee Revenue Refunding Bonds, Series 2021A in the amount of \$12,330,000, along with additional funds of \$2,769,350, were used to refund \$17,445,000 of the State of Florida, Board of Governors, Florida State University Mandatory Student Fee Revenue Bonds, Series 2010A maturing in the years 2022 through 2030. The refunding resulted in debt savings of \$3,358,400, an economic gain of \$3,129,731, and a deferred loss on refunding of \$83,356.

State of Florida, Board of Governors, Florida State University Parking Facility Revenue Refunding Bonds, Series 2021A in the amount of \$11,850,000, along with additional funds of \$2,593,379, were used to refund \$11,205,000 of the State of Florida, Board of Governors, Florida State University Parking Facility Revenue Bonds, Series 2011A maturing in the years 2021 through 2031 and \$5,406,000 of the State of Florida, Board of Governors, Florida State University Parking Facility Revenue Refunding Bonds, Series 2017A maturing in the years 2021 through 2026. The refunding resulted in debt savings of \$2,510,278, an economic gain of \$2,416,529, and a deferred loss on refunding of \$184,572.

State of Florida, Board of Governors, University of Florida Clinical Translational Research Building Revenue Refunding Bond, Series 2020A (Taxable) in the amount of \$19,025,000 were used to refund \$18,737,000 of the State of Florida, Board of Governors, University of Florida Clinical Translational Research Building Revenue Bonds, Series 2011 maturing in the year 2030. The refunding resulted in debt savings of \$2,886,436, and an economic gain of \$2,671,119.

State of Florida, Board of Governors, University of Florida Dormitory Revenue Refunding Bonds, Series 2021B in the amount of \$17,240,000, along with additional funds of \$360,488, were used to refund \$4,815,000 of the State of Florida, Board of Governors, University of Florida Dormitory Revenue Refunding Bonds, Series 2011A maturing in the years 2022 through 2025 and 2028 and \$16,205,000 of the State of Florida, Board of Governors, University of Florida Dormitory Revenue Bonds, Series 2012A maturing in the years 2022 through 2029 and 2031. The refunding resulted in debt savings of \$2,934,239, an economic gain of \$2,609,195, and a deferred loss on refunding of \$128,205.

State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series 2021A in the amount of \$183,810,000, along with additional funds of \$2,278,997, were used to refund \$218,890,000 of the State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds, Series 2011B maturing in the years 2022 through 2037 and 2041. The refunding resulted in debt savings of \$51,065,288, an economic gain of \$46,295,642, and a deferred gain on refunding of \$3,735,478.

State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge Construction Refunding Bonds, Series 2021B in the amount of \$145,880,000, along with additional funds of \$1,940,853, were used to refund \$184,110,000 of the State of Florida, Full Faith and Credit, Department of Transportation Right-of-Way Acquisition and Bridge

Construction Refunding Bonds, Series 2012A maturing in the years 2022 through 2031 and 2033. The refunding resulted in debt savings of \$38,944,847, an economic gain of \$36,514,657, and a deferred gain on refunding of \$3,798,355.

State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2021A in the amount of \$55,940,000, along with additional funds of \$18,960,167, were used to refund \$32,040,000 of the State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2010F maturing in the years 2021 and 2022 and \$44,820,000 of the State of Florida, State Board of Education Lottery Revenue Refunding Bonds, Series 2011A maturing in the years 2022 and 2023. The refunding resulted in debt savings of \$3,173,449, an economic gain of \$3,151,902, and a deferred net gain on refunding of \$520,582.

**Business-type Activities**

State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2021A in the amount of \$76,345,000, along with additional funds of \$1,328,379, were used to refund \$84,700,000 of the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2011A maturing in the years 2022 through 2039, 2036, 2038, and 2041. The refunding resulted in debt savings of \$31,877,413, an economic gain of \$26,578,922, and a deferred loss on refunding of \$109,685.

**Cash In-substance Defeasance**

**Governmental Activities**

The State of Florida, Board of Governors, Florida Agricultural and Mechanical University Revenue and Revenue Refunding Bonds, Series A 2019-1 (the “Series A 2019-1 Bonds”) in the amount of \$9,654,373 as of December 27, 2020, maturing in the years 2021 through 2030 were forgiven by the U.S. Department of Education in connection with The Consolidated Appropriations Act, 2021.

The State of Florida, Board of Governors, Florida Agricultural and Mechanical University Revenue and Revenue Refunding Bonds, Series A 2019-2 (the “Series A 2019-2 Bonds”) in the amount of \$6,271,616 as of December 27, 2020, maturing in the years 2021 through 2025 were forgiven by the U.S. Department of Education in connection with The Consolidated Appropriations Act, 2021.

The State of Florida, Board of Governors, Florida Agricultural and Mechanical University Revenue and Revenue Refunding Bonds, Series A 2019-3 (the “Series A 2019-3 Bonds”) in the amount of \$35,842,947 as of December 27, 2020, maturing in the years 2021 through 2042 were forgiven by the U.S. Department of Education in connection with The Consolidated Appropriations Act, 2021.

The State of Florida, Board of Governors, Florida Agricultural and Mechanical University Revenue and Revenue Refunding Bonds, Series A 2019-4 (the “Series A 2019-4 Bonds”) in the amount of \$62,023,908 as of December 27, 2020, maturing in the years 2021 through 2047 were forgiven by the U.S. Department of Education in connection with The Consolidated Appropriations Act, 2021. The remaining State of Florida, Board of Governors, Florida Agricultural and Mechanical University Revenue and Revenue Refunding Bonds, Series A 2019-4 (the “Series A 2019-4 Bonds”) in the amount of \$7,976,092 maturing in the years 2047 through 2048 were in-substance defeased on June 25, 2021, when a cash deposit of \$4,486,285 was made to the trustee. These funds, along with other funds of \$3,523,122 held by the trustee, were used to redeem the Series A 2019-4 Bonds on June 25, 2021.

**7. Prior-year Defeased Bonds**

In prior years, the state has deposited with escrow agents in irrevocable trusts amounts sufficient to meet the debt service requirements of certain bonds. These defeased bonds are not reported as outstanding debt. Irrevocable trusts established with the State Board of Administration are reported in an agency fund. Debt considered defeased consists of the following (in thousands):

|                                | Principal at<br>June 30, 2021 |
|--------------------------------|-------------------------------|
| <u>Governmental Activities</u> |                               |
| University Auxiliary Bonds     | \$ 29,420                     |
| Total                          | <u>\$ 29,420</u>              |

**8. Arbitrage Regulations**

The state complies with federal arbitrage regulations.

**9. Direct Interest**

The state's bonds are issued for the creation or continuing existence of various programs. Interest is reported at June 30, 2021, in the following governmental activities as direct expenses on the Statement of Activities (in thousands):

| <u>Governmental Activities</u>          | <u>Interest</u>   |
|---|-------------------|
| Education:                              |                   |
| SBE Capital Outlay Bonds                | \$ 1,629          |
| Lottery Education Bonds                 | 18,805            |
| Public Education Bonds                  | 189,032           |
| State University System Bonds           | 2,444             |
| University Auxiliary Bonds              | 26,046            |
| Total Education                         | <u>237,956</u>    |
| Natural Resources and Environment:      |                   |
| Inland Protection Bonds                 | 290               |
| Everglades Restoration Bonds            | 3,716             |
| Water Pollution Control Bonds           | 4,309             |
| Florida Forever Bonds                   | 13,603            |
| Total Natural Resources and Environment | <u>21,918</u>     |
| Transportation:                         |                   |
| Road and Bridge Bonds (Right of Way)    | 65,754            |
| State Infrastructure Bank Bonds         | 481               |
| Seaport Investment Bonds                | 5,012             |
| FDOT Financing Corporation Bonds        | 5,138             |
| DOT Federal Highway Reimbursement Bonds | 2,120             |
| Total Transportation                    | <u>78,505</u>     |
| Total Direct Interest                   | <u>\$ 338,379</u> |

**10. Governmental Activities – Unrestricted Net Position Deficit**

Governmental activities reflect a negative unrestricted net position balance of \$10.7 billion at June 30, 2021. This deficit is primarily the result of education-related bonds in which the state is responsible for the debt, but the state colleges, state universities, or the local school districts own the capital assets. Because the state does not own these capital assets, the bonded debt is not netted on the line item "Net investment in capital assets." Instead, this bonded debt is netted with unrestricted net position. Education-related bonds include SBE Capital Outlay Bonds; PECO Bonds; State University System Improvement Bonds; and Lottery Education Bonds; which have a total ending balance at June 30, 2021, of \$7.4 billion. The state has an additional \$0.6 billion in other bonds, including Florida Forever bonds in which the state does not own the related capital assets. The resources related to the payment of this debt will be provided from future revenue sources. If these bonds were removed, the adjusted unrestricted net position for governmental activities would be a negative \$2.7 billion.

**B. Certificates of Participation****1. Primary Government**

The state has issued certificates of participation in an original amount of \$393,035,000. The certificates of participation's interest rates range from 4.500% - 5.000% and the last maturity date is July 1, 2030. The following is a schedule of future minimum principal and interest payments for certificates of participation for governmental activities at June 30, 2021 (in thousands):

| Year Ending<br>June 30                      | General           |                  | Total             |
|---|-------------------|------------------|-------------------|
|   | Principal         | Interest         |                   |
| 2022  | \$ 33,420         | \$ 14,334        | \$ 47,754         |
| 2023  | 35,950            | 12,600           | 48,550            |
| 2024  | 37,800            | 10,756           | 48,556            |
| 2025  | 39,680            | 8,819            | 48,499            |
| 2026  | 41,675            | 6,785            | 48,460            |
| 2027-2031                                   | 114,865           | 11,050           | 125,915           |
| Total                                       | 303,390           | 64,344           | 367,734           |
| Unamortized premiums (discounts)            | 31,928            | —                | 31,928            |
| Total certificates of participation payable | <u>\$ 335,318</u> | <u>\$ 64,344</u> | <u>\$ 399,662</u> |

**2. Component Units**

Component units (universities and a water management district) have issued certificates of participation (original amount of \$706,105,000) primarily to finance academic and student facilities, and construction projects for Everglades restoration. The certificates of participation's interest rates range from 1.8126% to 5.0313% and the last maturity date is July 1, 2048. The following is a schedule of future minimum principal and interest payments for certificates of participation for component units at June 30, 2021 (in thousands):

| Year Ending<br>June 30                      | General           |                   | Direct Borrowings and<br>Direct Placements |                  | Total             |
|---|-------------------|-------------------|--|------------------|-------------------|
|   | Principal         | Interest          | Principal                                  | Interest         |                   |
| 2022*                                       | \$ 23,748         | \$ 38,872         | \$ 7,249                                   | \$ 5,032         | \$ 74,901         |
| 2023  | 34,120            | 21,166            | 7,488                                      | 4,747            | 67,521            |
| 2024  | 20,840            | 20,149            | 6,670                                      | 4,485            | 52,144            |
| 2025  | 22,160            | 19,074            | 6,871                                      | 4,220            | 52,325            |
| 2026  | 23,285            | 17,938            | 7,101                                      | 3,948            | 52,272            |
| 2027-2031                                   | 135,240           | 70,533            | 37,929                                     | 15,335           | 259,037           |
| 2032-2036                                   | 171,225           | 33,927            | 42,585                                     | 7,313            | 255,050           |
| 2037-2041                                   | 40,260            | 4,627             | 14,865                                     | 502              | 60,254            |
| 2042-2046                                   | 7,500             | 1,853             | —  | —                | 9,353             |
| 2047-2051                                   | 5,275             | 322               | —  | —                | 5,597             |
| Total                                       | 483,653           | 228,461           | 130,758                                    | 45,582           | 888,454           |
| Unamortized premiums (discounts)            | 41,774            | —                 | —  | —                | 41,774            |
| Total certificates of participation payable | <u>\$ 525,427</u> | <u>\$ 228,461</u> | <u>\$ 130,758</u>                          | <u>\$ 45,582</u> | <u>\$ 930,228</u> |

\* Some component units have a fiscal year other than June 30 and as a result, June 30, 2021, principal amounts reported will not reconcile with Note 10.



## NOTE 9 - INSTALLMENT PURCHASES, CAPITAL LEASES, AND PUBLIC-PRIVATE PARTNERSHIPS

### A. Installment Purchases

The state has a number of installment purchase contracts primarily providing for the acquisition of buildings, furniture, and equipment. At June 30, 2021, 76% of the state's installment purchase contracts for primary governmental activities were for furniture and equipment, and the remaining 24% for buildings. Installment purchase contracts for component units consisted of 100% of furniture and equipment. The following is a schedule of future minimum installment purchase contract payments for the primary government and component units at June 30, 2021 (in thousands):

| Year Ending<br>June 30                      | Primary Government         |                                     |                             |                  |
|---|----------------------------|-------------------------------------|-----------------------------|------------------|
|   | Governmental<br>Activities |                                     | Business-type<br>Activities |                  |
|   | General                    | Direct Borrowings<br>and Placements | General                     | Totals           |
| 2022  | \$ 4,741                   | \$ 6,094                            | \$ 1,219                    | \$ 12,054        |
| 2023  | 4,741                      | 5,407                               | 1,217                       | 11,365           |
| 2024  | 2,392                      | 3,368                               | 1,216                       | 6,976            |
| 2025  | 2,344                      | 3,223                               | 1,216                       | 6,783            |
| 2026  | 1,926                      | 2,094                               | 1,216                       | 5,236            |
| 2027-2031                                   | 6,437                      | 362                                 | 2,129                       | 8,928            |
| 2032-2036                                   | 5,151                      | —                                   | —                           | 5,151            |
| Total                                       | 27,732                     | 20,548                              | 8,213                       | 56,493           |
| Less: Interest                              | (4,272)                    | (1,683)                             | (810)                       | (6,765)          |
| Present value of future<br>minimum payments | <u>\$ 23,460</u>           | <u>\$ 18,865</u>                    | <u>\$ 7,403</u>             | <u>\$ 49,728</u> |

| Year Ending<br>June 30                      | Component<br>Units |  |                 |
|---|--------------------|--|-----------------|
|   | General            | Direct<br>Borrowings<br>and Placements | Totals          |
|   | 2022               | \$ 1,382                               | \$ 565          |
| 2023  | 1,360              | 895                                    | 2,255           |
| 2024  | 1,229              | 824                                    | 2,053           |
| 2025  | 797                | 752                                    | 1,549           |
| 2026  | 276                | 792                                    | 1,068           |
| 2027-2031                                   | 837                | 198                                    | 1,035           |
| 2032-2036                                   | 677                | —                                      | 677             |
| Total                                       | 6,558              | 4,026                                  | 10,584          |
| Less: Interest                              | (444)              | (1,309)                                | (1,753)         |
| Present value of future<br>minimum payments | <u>\$ 6,114</u>    | <u>\$ 2,717</u>                        | <u>\$ 8,831</u> |

**B. Capital Leases**

The state has a number of capital leases providing for the acquisition of land, buildings, and furniture and equipment. At June 30, 2021, 100% of the state's capital leases for governmental activities were for furniture and equipment. Capital leases for component units consisted of 56% for buildings, 43% for furniture and equipment, and the remaining 1% for land. The following is a schedule of future minimum capital lease payments for the primary government and component units at June 30, 2021 (in thousands):

| Year Ending<br>June 30                      | Primary Government         |                             |                 |
|---|----------------------------|-----------------------------|-----------------|
|   | Governmental<br>Activities | Business-type<br>Activities | Totals          |
|   | General                    | General                     |                 |
| 2022  | \$ 707                     | \$ 66                       | \$ 773          |
| 2023  | 710                        | 66                          | 776             |
| 2024  | 446                        | 66                          | 512             |
| 2025  | 359                        | —                           | 359             |
| 2026  | 359                        | —                           | 359             |
| 2027-2031                                   | 207                        | —                           | 207             |
| Total                                       | 2,788                      | 198                         | 2,986           |
| Less: Interest                              | (253)                      | (20)                        | (273)           |
| Present value of future<br>minimum payments | <u>\$ 2,535</u>            | <u>\$ 178</u>               | <u>\$ 2,713</u> |

| Year Ending<br>June 30                      | Component Units   |                                     | Totals            |
|---|-------------------|-------------------------------------|-------------------|
|   | General           | Direct Borrowings<br>and Placements |                   |
| 2022  | \$ 17,072         | \$ 2,381                            | \$ 19,453         |
| 2023  | 13,572            | 2,295                               | 15,867            |
| 2024  | 13,209            | 2,254                               | 15,463            |
| 2025  | 12,153            | 1,974                               | 14,127            |
| 2026  | 23,862            | 1,378                               | 25,240            |
| 2027-2031                                   | 31,414            | 2,758                               | 34,172            |
| 2032-2036                                   | 17,359            | —                                   | 17,359            |
| 2037-2041                                   | 5,133             | —                                   | 5,133             |
| 2042-2046                                   | 5,257             | —                                   | 5,257             |
| 2047-2051                                   | 5,477             | —                                   | 5,477             |
| 2052-2056                                   | 2,618             | —                                   | 2,618             |
| 2057-2061                                   | 2,432             | —                                   | 2,432             |
| 2062-2066                                   | 2,241             | —                                   | 2,241             |
| 2067-2071                                   | 3,126             | —                                   | 3,126             |
| 2072-2076                                   | 2,441             | —                                   | 2,441             |
| Total                                       | 157,366           | 13,040                              | 170,406           |
| Less: Interest                              | (40,336)          | (1,097)                             | (41,433)          |
| Present value of future<br>minimum payments | <u>\$ 117,030</u> | <u>\$ 11,943</u>                    | <u>\$ 128,973</u> |

### C. Public-Private Partnerships

Pursuant to Section 334.30, Florida Statutes, the Department of Transportation (Department) executed two 35-year, Public-Private Partnership concession agreements in March and October of 2009 for the design, build, finance, operation and maintenance of the Interstate 595 Corridor and the PortMiami Tunnel, respectively. PortMiami payments consist of milestone payments and lump-sum final acceptance payments during construction, and performance-based availability payments to be made during the 30-year operations and maintenance period. Interstate 595 payments involve final acceptance payments during construction and performance-based availability payments to be made during the 30-year operations and maintenance period. The Department executed a 40-year concession agreement in September 2014 for the design, build, finance, operation and maintenance of 21 miles of the Interstate 4 Corridor in Seminole and Orange Counties. I-4 payments consist of a combination of milestone payments, final acceptance payments, and performance-based availability payments to be made during the operations and maintenance period. The payment schedule below includes the full amount of the estimated payments for the Interstate 595 Corridor and the PortMiami Tunnel and is an estimate of unpaid construction payments during the term of the agreements based on the percentage of completion of the projects at June 30, 2021, for the Interstate 4 Corridor. The annual availability payments for Interstate 595 Corridor and the PortMiami Tunnel are performance-based and are subject to change based on a fixed percentage as defined in their respective contracts and on the Consumer Price Index, which could impact the payment schedule. In October 2015, the Department executed a supplemental agreement with the I-595 concessionaire reflecting overall cost reductions for this project as a result of the concessionaire's debt refinancing. The annual availability payments for the Interstate 4 Corridor are performance-based with a portion of the payment that is level and another portion that is indexed based on the Consumer Price Index, which could impact the payment schedule. The lanes were open to traffic on Interstate 595 and PortMiami Tunnel in March and August 2014, respectively. Construction for the Interstate 4 Corridor is expected to be completed during fiscal year 2022.

The following is a schedule of future maximum payments for the primary government at June 30, 2021 (in thousands):

| Year Ending<br>June 30                      | Primary<br>Government      |                             | Totals              |
|---|----------------------------|-----------------------------|---------------------|
|   | Governmental<br>Activities | Business-type<br>Activities |                     |
| 2022  | \$ 452,786                 | \$ 16,439                   | \$ 469,225          |
| 2023  | 141,280                    | 17,024                      | 158,304             |
| 2024  | 142,661                    | 17,532                      | 160,193             |
| 2025  | 145,682                    | 18,083                      | 163,765             |
| 2026  | 149,462                    | 18,552                      | 168,014             |
| 2027-2031                                   | 781,234                    | 100,775                     | 882,009             |
| 2032-2036                                   | 844,063                    | 115,999                     | 960,062             |
| 2037-2041                                   | 917,813                    | 133,049                     | 1,050,862           |
| 2042-2046                                   | 664,984                    | 72,704                      | 737,688             |
| 2047-2051                                   | 267,676                    | —                           | 267,676             |
| 2052-2056                                   | 184,231                    | —                           | 184,231             |
| Total                                       | 4,691,872                  | 510,157                     | 5,202,029           |
| Less: Interest                              | (1,983,939)                | (298,025)                   | (2,281,964)         |
| Present value of future<br>maximum payments | <u>\$ 2,707,933</u>        | <u>\$ 212,132</u>           | <u>\$ 2,920,065</u> |

## NOTE 10 - CHANGES IN LONG-TERM LIABILITIES

Changes in long-term liabilities for governmental activities during the fiscal year ended June 30, 2021, are as follows (in thousands):

|   | Balance<br>July 1, 2020 | Additions           | Deletions            | Balance<br>June 30, 2021 | Due Within<br>One Year<br>(Current) | Due Beyond<br>One Year<br>(Non-current) |
|---|-------------------------|---------------------|----------------------|--------------------------|-------------------------------------|---|
| <b>Governmental Activities</b>  |                         |                     |                      |                          |                                     |   |
| Bonds payable:  |                         |                     |                      |                          |                                     |   |
| Road and Bridge Bonds   | \$ 1,994,760            | \$ 517,240          | \$ 506,490           | \$ 2,005,510             | \$ 103,385                          | \$ 1,902,125                            |
| FL DOT Financing Corporation  | 146,900                 | 155,600             | 12,015               | 290,485                  | 16,590                              | 273,895                                 |
| SBE Capital Outlay Bonds  | 81,940                  | —                   | 13,600               | 68,340                   | 13,690                              | 54,650                                  |
| Lottery Education Bonds   | 801,295                 | 55,940              | 195,970              | 661,265                  | 129,920                             | 531,345                                 |
| Public Education Bonds  | 6,724,235               | 916,245             | 1,567,450            | 6,073,030                | 582,375                             | 5,490,655                               |
| State University System Bonds   | 86,565                  | —                   | 10,760               | 75,805                   | 11,265                              | 64,540                                  |
| University Auxiliary Bonds  | 617,260                 | 399,915             | 176,160              | 841,015                  | 42,615                              | 798,400                                 |
| Inland Protection Bonds   | 21,575                  | —                   | 5,005                | 16,570                   | 5,255                               | 11,315                                  |
| Florida Forever Bonds   | 567,550                 | —                   | 106,830              | 460,720                  | 90,630                              | 370,090                                 |
| Water Pollution Control Bonds   | 214,220                 | —                   | 26,165               | 188,055                  | 25,465                              | 162,590                                 |
| Florida Facilities Pool Bonds   | 161,610                 | —                   | 15,710               | 145,900                  | 13,510                              | 132,390                                 |
| State Infrastructure Bank Bonds   | 10,565                  | —                   | 3,560                | 7,005                    | 1,865                               | 5,140                                   |
| Seaport Investment Bonds  | 117,360                 | —                   | 2,875                | 114,485                  | 3,020                               | 111,465                                 |
| Everglades Restoration Bonds  | 157,415                 | —                   | 15,595               | 141,820                  | 16,385                              | 125,435                                 |
| Federal Reimbursement Bonds   | 117,995                 | 118,885             | 10,815               | 226,065                  | 16,910                              | 209,155                                 |
| Bonds from direct borrowings and direct placements <sup>1</sup>                     | 129,752                 | 37,203              | 146,885              | 20,070                   | 2,463                               | 17,607                                  |
|   | 11,950,997              | 2,201,028           | 2,815,885            | 11,336,140               | 1,075,343                           | 10,260,797                              |
| Unamortized bond premiums<br>(discounts)  | 833,859                 | 336,909             | 226,817              | 943,951                  | —                                   | 943,951                                 |
| Total bonds payable   | 12,784,856              | 2,537,937           | 3,042,702            | 12,280,091               | 1,075,343                           | 11,204,748                              |
| Certificates of participation payable   | 383,862                 | 41,465              | 90,009               | 335,318                  | 33,420                              | 301,898                                 |
| Deposits  | 4,928,231               | 637,793             | 4,537,675            | 1,028,349                | 1,028,349                           | —                                       |
| Compensated absences  | 778,878                 | 160,843             | 118,688              | 821,033                  | 197,983                             | 623,050                                 |
| Claims payable  | 2,469,401               | 2,917,849           | 2,937,099            | 2,450,151                | 1,220,813                           | 1,229,338                               |
| Installment purchases/capital leases  | 18,466                  | 9,142               | 1,613                | 25,995                   | 4,581                               | 21,414                                  |
| Public-private partnership agreements   | 2,766,243               | 266,878             | 325,188              | 2,707,933                | 362,995                             | 2,344,938                               |
| Advances - Due to Unclaimed Prop. TF  | 986,684                 | 124,755             | —                    | 1,111,439                | —                                   | 1,111,439                               |
| Due to other governments  | 358,529                 | —                   | 18,529               | 340,000                  | —                                   | 340,000                                 |
| Other postemployment benefits   | 8,915,582               | 14                  | 1,957,921            | 6,957,675                | 112,890                             | 6,844,785                               |
| Pension liability   | 8,637,822               | 1,439,309           | 12,957               | 10,064,174               | 35,655                              | 10,028,519                              |
| Other liabilities   | 17,492                  | 1,993               | —                    | 19,485                   | —                                   | 19,485                                  |
| Notes from Direct Borrowings and<br>Direct Placements - Excludes Bonds <sup>2</sup> | 22,403                  | 4,473               | 8,011                | 18,865                   | 5,379                               | 13,486                                  |
| <b>Total Governmental Activities</b>  | <b>\$ 43,068,449</b>    | <b>\$ 8,142,451</b> | <b>\$ 13,050,392</b> | <b>\$ 38,160,508</b>     | <b>\$ 4,077,408</b>                 | <b>\$ 34,083,100</b>                    |

<sup>1</sup>Direct borrowings and direct placements have been separately identified due to the implementation of GASB Statement No. 88. Direct borrowings and direct placements for Governmental Activities includes bond issuances from University Auxiliary Bonds.

<sup>2</sup>Direct borrowings and direct placements includes installment purchase contracts and capital leases.

Long-term liabilities for governmental activities are generally liquidated by the applicable governmental funds and/or internal service funds. Specifically, the special revenue funds, capital projects funds, and/or internal service funds will liquidate the certificates of participation payable, installment purchase contracts, and capital lease obligations. The applicable special revenue funds and internal service funds will reduce deposits when such monies are earned. The governmental and internal services funds that account for employees' salaries and wages will liquidate the compensated absences liabilities. The General Fund, Health and Family Services Fund, and the non-major special revenue fund will generally liquidate claims payable. The Public Education Fund will liquidate the advances due to the Unclaimed Property Trust Fund to the extent that the Unclaimed

Property Trust Fund does not have sufficient assets to pay claimants requesting payment of unclaimed funds. The nonmajor special revenue funds will generally liquidate other liabilities. The Transportation-Governmental Fund will liquidate the public-private partnership agreements and due to other governments liabilities from annual appropriations. Refer to Note 9 for additional information on the public-private partnership agreements. The pension liability and the Other postemployment benefits (OPEB) related to all governmental funds are reported above. The pension liability is adjusted each year based upon investment performance and contributions received. The state does not currently fund the OPEB liability so it is non-liquidating. Refer to Note 6 for additional information on the pension liability and OPEB.

The Department of Management Services' outstanding \$161.6 million Florida Facilities Pool Bonds provide for acceleration in an event of a payment default, subject to request of the Trustee or the holders of not less than 25% of the outstanding bonds.

The outstanding amount for Board of Governors, Florida Agricultural and Mechanical University Dormitory Revenue and Revenue Refunding Bonds from direct borrowings has been paid in full.

The Department of Management Services' outstanding \$261.9 million certificates of participation provide for acceleration and the surrender of the financed public and private correctional facilities (the projects) in the event of a default. Upon an event of default or an event of non-appropriation, the Corporation may terminate the lease, take possession of the projects, and accelerate the rent payments due for the current fiscal year. If the Corporation elects not to terminate the lease upon an event of default, it may exclude the Department, sell or lease certain equipment, and hold the Department liable for monetary damages. Additionally, following an event of non-appropriation, the lease automatically terminates, and the Department must immediately surrender all projects to the Trustee, who may then liquidate, rent, or lease the projects. The Trustee may also exercise all remedies available to the Corporation or cause the Corporation to pursue such remedies.

The Department of Children and Families' outstanding \$41.5 million certificates of participation provide for acceleration and the surrender of the financed forensic mental health and civil commitment facilities (the projects) in the event of a default. Upon an event of default or event of non-appropriation, the principal of all outstanding certificates may be accelerated at the request of the Trustee or the owners of a majority of the outstanding certificates. Upon an event of default or an event of nonappropriation, the Corporation may terminate the lease and require the Department to vacate, surrender, and transfer possession of the projects to the Corporation. Additionally, upon an event of default, without terminating the lease, it may take possession of the project, exclude the Department, and sublet the project. In each case the Department is liable for monetary damages. The Trustee may exercise all remedies available to the Corporation, and may take possession of the projects, or any portions thereof, and dispose of the Corporation's interest therein for the benefit of the owners of the outstanding certificates.

The State of Florida's governmental and business-type activities also have an unused line of credit in the amount of \$53,404,725 as of June 30, 2021.

Changes in long-term liabilities for business-type activities and component units during the fiscal year ended June 30, 2021, are as follows (in thousands):

|  | Balance<br>July 1, 2020 | Additions           | Deletions           | Balance<br>June 30, 2021 | Due Within<br>One Year<br>(Current) | Due Beyond<br>One Year<br>(Non-current) |
|--|-------------------------|---------------------|---------------------|--------------------------|-------------------------------------|---|
| <b>Business-type Activities</b>                    |                         |                     |                     |                          |                                     |   |
| Bonds payable:                                     |                         |                     |                     |                          |                                     |   |
| Toll Facility Bonds                                | \$ 2,686,860            | \$ 270,695          | \$ 234,845          | \$ 2,722,710             | \$ 140,855                          | \$ 2,581,855                            |
| Florida Hurricane Catastrophe Fund                 |                         |                     |                     |                          |                                     |   |
| Bonds  | 1,650,000               | 3,500,000           | 1,000,000           | 4,150,000                | 650,000                             | 3,500,000                               |
|  | <u>4,336,860</u>        | <u>3,770,695</u>    | <u>1,234,845</u>    | <u>6,872,710</u>         | <u>790,855</u>                      | <u>6,081,855</u>                        |
| Unamortized bond premiums                          |                         |                     |                     |                          |                                     |   |
| (discounts)  | 183,649                 | 24,913              | 34,227              | 174,335                  | —                                   | 174,335                                 |
| Total bonds payable                                | <u>4,520,509</u>        | <u>3,795,608</u>    | <u>1,269,072</u>    | <u>7,047,045</u>         | <u>790,855</u>                      | <u>6,256,190</u>                        |
| Accrued prize liability                            | 539,749                 | 2,120,789           | 2,107,006           | 553,532                  | 328,966                             | 224,566                                 |
| Deposits   | 288,824                 | 135,305             | 129,359             | 294,770                  | 129,193                             | 165,577                                 |
| Compensated absences                               | 26,268                  | 13,013              | 10,204              | 29,077                   | 7,101                               | 21,976                                  |
| Tuition and housing benefits payable               | 11,757,011              | 44,602              | 499,570             | 11,302,043               | 521,466                             | 10,780,577                              |
| Installment purchases/capital leases               | 8,218                   | 137                 | 773                 | 7,582                    | 1,060                               | 6,522                                   |
| Claims payable                                     | 2,683,491               | 1,300,000           | 1,417,268           | 2,566,223                | 2,566,223                           | —                                       |
| Public-private partnership agreements <sup>1</sup> | 213,607                 | —                   | 1,475               | 212,132                  | 1,624                               | 210,508                                 |
| Other postemployment benefits                      | 230,912                 | 5,391               | 51,429              | 184,874                  | 3,000                               | 181,874                                 |
| Pension liability                                  | 152,158                 | 28,219              | 688                 | 179,689                  | 520                                 | 179,169                                 |
| Other liabilities                                  | 1,449                   | 9,050               | —                   | 10,499                   | —                                   | 10,499                                  |
|  | <u>          </u>       | <u>          </u>   | <u>          </u>   | <u>          </u>        | <u>          </u>                   | <u>          </u>                       |
| <b>Total Business-type Activities</b>              | <b>\$ 20,422,196</b>    | <b>\$ 7,452,114</b> | <b>\$ 5,486,844</b> | <b>\$ 22,387,466</b>     | <b>\$ 4,350,008</b>                 | <b>\$ 18,037,458</b>                    |

<sup>1</sup>Public-private partnerships are included in the Installment purchases/capital leases lines of the Proprietary Funds Statement of Net Position.

As of June 30, 2021, the Florida Hurricane Catastrophe Fund's outstanding debt was secured with collateral of \$3.5 billion. This debt contains provisions that, in an event of default, the Trustee may, and upon written request of the holders of a majority of the aggregate principal amount of all outstanding parity obligations shall, declare the principal of all outstanding parity obligations to be due and payable immediately.

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|  | Balance<br>July 1, 2020 | Additions           | Deletions           | Balance<br>June 30, 2021 | Due Within<br>One Year<br>(Current) | Due Beyond<br>One Year<br>(Non-current) |
|--|-------------------------|---------------------|---------------------|--------------------------|-------------------------------------|---|
| <b>Component Units</b>   |                         |                     |                     |                          |                                     |   |
| Bonds payable  | \$ 5,325,079            | \$ 71,540           | \$ 1,352,908        | \$ 4,043,711             | \$ 410,971                          | \$ 3,632,740                            |
| Bonds from direct borrowings and direct placements <sup>1</sup>                  | 934,934                 | 685,617             | 45,272              | 1,575,279                | 87,193                              | 1,488,086                               |
| Deposits   | 1,159,360               | 1,423,757           | 766,011             | 1,817,106                | 1,513,738                           | 303,368                                 |
| Compensated absences   | 786,118                 | 123,063             | 91,143              | 818,038                  | 94,084                              | 723,954                                 |
| Installment purchases/capital leases   | 95,007                  | 37,605              | 9,468               | 123,144                  | 18,454                              | 104,690                                 |
| Claims payable   | 1,282,219               | 237,628             | 81,041              | 1,438,806                | 46,666                              | 1,392,140                               |
| Certificates of participation payable  | 549,674                 | —                   | 24,247              | 525,427                  | 23,748                              | 501,679                                 |
| Due to other governments/primary   | 782,613                 | 490,227             | 327,824             | 945,016                  | 58,247                              | 886,769                                 |
| Other postemployment benefits  | 3,667,601               | 1,593,552           | 1,932,325           | 3,328,828                | 53,858                              | 3,274,970                               |
| Pension liability  | 4,048,322               | 2,134,975           | 1,339,919           | 4,843,378                | 36,153                              | 4,807,225                               |
| Asset retirement obligations   | 9,480                   | 131                 | 162                 | 9,449                    | —                                   | 9,449                                   |
| Other liabilities  | 724,555                 | 1,126,571           | 1,116,539           | 734,587                  | 210,028                             | 524,559                                 |
| Notes from direct borrowings and direct placements - Excludes Bonds <sup>1</sup> | 431,231                 | 29,339              | 32,803              | 427,767                  | 38,147                              | 389,620                                 |
| <b>Total Component Units</b>   | <b>\$ 19,796,193</b>    | <b>\$ 7,954,005</b> | <b>\$ 7,119,662</b> | <b>\$ 20,630,536</b>     | <b>\$ 2,591,287</b>                 | <b>\$ 18,039,249</b>                    |

<sup>1</sup>Direct borrowings and direct placements have been separately identified due to the implementation of GASB Statement No. 88.

The University of Florida Shands Teaching Hospital and Clinic’s outstanding \$143.7 million direct placement bonds provide that the principal of all outstanding direct placement bonds may be accelerated upon an event of default.

The University of South Florida Finance Corporation’s \$240.8 million certificates of participation, including \$103.6 million of direct placements, provide that the outstanding principal may be accelerated upon an event of default.

The University of Central Florida Foundation, Inc.’s outstanding \$69.2 million long-term debt from direct placements are secured with collateral of capital assets used in operations and provide that in the event of default, all outstanding amounts may be accelerated.

The State’s colleges and universities also have unused lines of credit of \$148,313,435 as of June 30, 2021.

## NOTE 11 - INTERFUND BALANCES AND TRANSFERS

At June 30, 2021, amounts to be received or paid with current available resources are reported as due from or due to other funds, whereas the noncurrent portion is reported as advances to or advances from other funds. Interfund balances at June 30, 2021, consist of the following (in thousands):

| Due to Other Funds (in thousands)                     | Due from Other Funds (in thousands) |   |                   |                            |                   |
|---|-------------------------------------|---|-------------------|----------------------------|-------------------|
|   | Governmental Activities             |   |                   |                            |                   |
|   | General Fund                        | Natural Resources, Environment, and Growth Management | Public Education  | Health and Family Services | Transportation    |
| <b>Governmental Activities</b>                        |                                     |   |                   |                            |                   |
| General Fund  | \$ —                                | \$ 91,237   | \$ 44,052         | \$ 129,361                 | \$ 12,443         |
| Natural Resources, Environment, and Growth Management | 7,195                               | —   | —                 | 637                        | 13,965            |
| Public Education                                      | 120                                 | —   | —                 | 2,893                      | —                 |
| Health and Family Services                            | 11,563                              | 305   | —                 | —                          | —                 |
| Transportation  | 8,012                               | 2,074   | —                 | 80                         | —                 |
| Nonmajor Governmental Funds                           | 90,936                              | 4,405   | 19,618            | 4,352                      | 118,281           |
| Internal Service Funds                                | 1,145                               | —   | —                 | 32                         | —                 |
| <b>Business-type Activities</b>                       |                                     |   |                   |                            |                   |
| Transportation  | 79                                  | —   | —                 | —                          | 153,069           |
| Lottery   | 58                                  | —   | 107,639           | —                          | —                 |
| Hurricane Catastrophe Fund                            | —                                   | —   | —                 | —                          | —                 |
| Prepaid College Program                               | —                                   | —   | —                 | —                          | —                 |
| Reemployment Assistance                               | 51                                  | 18  | —                 | —                          | 105               |
| Nonmajor Enterprise Funds                             | 8,216                               | —   | —                 | 225                        | —                 |
| <b>Fiduciary Funds</b>                                |                                     |   |                   |                            |                   |
| Private-purpose Trust Funds                           | 221                                 | —   | 4,805             | —                          | —                 |
| Pension and Other Employee Benefits Trust Funds       | 4                                   | —   | —                 | —                          | —                 |
| Custodial Funds                                       | 83,217                              | 10  | 2,584             | 4,596                      | 14,842            |
| Investment Trust Funds                                | —                                   | —   | —                 | —                          | —                 |
| <b>Total</b>  | <b>\$ 210,817</b>                   | <b>\$ 98,049</b>                                      | <b>\$ 178,698</b> | <b>\$ 142,176</b>          | <b>\$ 312,705</b> |

(Continued Below)

| Due to Other Funds (in thousands)                     | Due from Other Funds (in thousands) |                        |
|---|-------------------------------------|------------------------|
|   | Governmental Activities             |                        |
|   | Nonmajor Governmental Funds         | Internal Service Funds |
| <b>Governmental Activities</b>                        |                                     |                        |
| General Fund  | \$ 74,328                           | \$ 7,736               |
| Natural Resources, Environment, and Growth Management | 1,040                               | 241                    |
| Public Education                                      | 478                                 | 67                     |
| Health and Family Services                            | 16,004                              | 2,788                  |
| Transportation  | 25,101                              | 1,427                  |
| Nonmajor Governmental Funds                           | 7,845                               | 5,054                  |
| Internal Service Funds                                | 7                                   | 326                    |
| <b>Business-type Activities</b>                       |                                     |                        |
| Transportation  | —                                   | —                      |
| Lottery   | 7                                   | 37                     |
| Hurricane Catastrophe Fund                            | —                                   | —                      |
| Prepaid College Program                               | —                                   | —                      |
| Reemployment Assistance                               | 1,388                               | 1                      |
| Nonmajor Enterprise Funds                             | 1,989                               | 532                    |
| <b>Fiduciary Funds</b>                                |                                     |                        |
| Private-purpose Trust Funds                           | —                                   | 1                      |
| Pension and Other Employee Benefits Trust Funds       | —                                   | 2                      |
| Custodial Funds                                       | 2,407                               | —                      |
| Investment Trust Funds                                | —                                   | —                      |
| <b>Total</b>  | <b>\$ 130,594</b>                   | <b>\$ 18,212</b>       |



| Due to Other Funds (in thousands)                     | Due from Other Funds (in thousands) |                   |                         |                         |                           |
|---|-------------------------------------|-------------------|-------------------------|-------------------------|---------------------------|
|   | Business-type Activities            |                   |                         |                         |                           |
|   | Lottery                             | Transportation    | Prepaid College Program | Reemployment Assistance | Nonmajor Enterprise Funds |
| <b>Governmental Activities</b>                        |                                     |                   |                         |                         |                           |
| General Fund  | \$ —                                | \$ —              | \$ —                    | \$ 1,953                | \$ 3,062                  |
| Natural Resources, Environment, and Growth Management | —                                   | —                 | —                       | 7                       | —                         |
| Public Education                                      | —                                   | —                 | —                       | —                       | —                         |
| Health and Family Services                            | —                                   | —                 | —                       | 94                      | 48                        |
| Transportation  | —                                   | 103,004           | —                       | 5                       | —                         |
| Nonmajor Governmental Funds                           | 7                                   | —                 | —                       | 32                      | 34                        |
| Internal Service Funds                                | —                                   | —                 | —                       | 3                       | —                         |
| <b>Business-type Activities</b>                       |                                     |                   |                         |                         |                           |
| Transportation  | —                                   | —                 | —                       | —                       | —                         |
| Lottery   | —                                   | —                 | —                       | 3                       | 3                         |
| Hurricane Catastrophe Fund                            | —                                   | —                 | —                       | —                       | 299                       |
| Prepaid College Program                               | —                                   | —                 | —                       | —                       | —                         |
| Reemployment Assistance                               | —                                   | —                 | —                       | —                       | —                         |
| Nonmajor Enterprise Funds                             | —                                   | —                 | —                       | 6                       | —                         |
| <b>Fiduciary Funds</b>                                |                                     |                   |                         |                         |                           |
| Private-purpose Trust Funds                           | —                                   | —                 | 98                      | —                       | 3                         |
| Pension and Other Employee Benefits Trust Funds       | —                                   | —                 | —                       | —                       | 9,430                     |
| Custodial Funds                                       | —                                   | 142,289           | —                       | —                       | —                         |
| Investment Trust Funds                                | —                                   | —                 | —                       | —                       | 130                       |
| <b>Total</b>  | <b>\$ 7</b>                         | <b>\$ 245,293</b> | <b>\$ 98</b>            | <b>\$ 2,103</b>         | <b>\$ 13,009</b>          |

(Continued below)

| Due to Other Funds (in thousands)                     | Due from Other Funds (in thousands) |   |                   |                     |
|---|-------------------------------------|---|-------------------|---------------------|
|   | Fiduciary Funds                     |   |                   |                     |
|   | Private-purpose Trust Funds         | Pension and Other Employee Benefits Trust Funds | Custodial Funds   | Total               |
| <b>Governmental Activities</b>                        |                                     |   |                   |                     |
| General Fund  | \$ 522                              | \$ 381  | \$ 162,732        | \$ 527,807          |
| Natural Resources, Environment, and Growth Management | —                                   | —   | —                 | 23,085              |
| Public Education                                      | —                                   | —   | —                 | 3,558               |
| Health and Family Services                            | —                                   | —   | 105               | 30,907              |
| Transportation  | —                                   | —   | 9,756             | 149,459             |
| Nonmajor Governmental Funds                           | —                                   | —   | 204               | 250,768             |
| Internal Service Funds                                | —                                   | 1,288   | 32,653            | 35,454              |
| <b>Business-type Activities</b>                       |                                     |   |                   |                     |
| Transportation  | —                                   | —   | —                 | 153,148             |
| Lottery   | —                                   | 2   | —                 | 107,749             |
| Hurricane Catastrophe Fund                            | —                                   | —   | —                 | 299                 |
| Prepaid College Program                               | 45,901                              | —   | —                 | 45,901              |
| Reemployment Assistance                               | —                                   | —   | 3,021             | 4,584               |
| Nonmajor Enterprise Funds                             | —                                   | 63  | —                 | 11,031              |
| <b>Fiduciary Funds</b>                                |                                     |   |                   |                     |
| Private-purpose Trust Funds                           | —                                   | —   | —                 | 5,128               |
| Pension and Other Employee Benefits Trust Funds       | —                                   | 89,215  | —                 | 98,651              |
| Custodial Funds                                       | —                                   | —   | —                 | 249,945             |
| Investment Trust Funds                                | —                                   | —   | —                 | 130                 |
| <b>Total</b>  | <b>\$ 46,423</b>                    | <b>\$ 90,949</b>                                | <b>\$ 208,471</b> | <b>\$ 1,697,604</b> |

Advances to Other Funds (in thousands)

Governmental Activities

| Advances from Other Funds (in thousands) | General Fund    | Transportation    |
|--|-----------------|-------------------|
| <b>Governmental Activities</b>           |                 |                   |
| Public Education                         | \$ —            | \$ —              |
| Nonmajor Governmental Funds              | 850             | 101               |
| Internal Service Funds                   | 500             | —                 |
| <b>Business-type Activities</b>          |                 |                   |
| Transportation                           | —               | 132,747           |
| <b>Total</b>                             | <b>\$ 1,350</b> | <b>\$ 132,848</b> |

(Continued below)

Advances to Other Funds (in thousands)

Business-type Activities

| Advances from Other Funds (in thousands) | General Fund | Transportation   |
|--|--------------|------------------|
| <b>Governmental Activities</b>           |              |                  |
| Public Education                         | \$ —         | \$ —             |
| Transportation                           | —            | 75,000           |
| Nonmajor Governmental Funds              | —            | —                |
| Internal Service Funds                   | —            | —                |
| <b>Business-type Activities</b>          |              |                  |
| Transportation                           | —            | —                |
| <b>Total</b>                             | <b>\$ —</b>  | <b>\$ 75,000</b> |

(Continued below)

Advances to Other Funds (in thousands)

Fiduciary Funds

| Advances from Other Funds (in thousands) | Private-purpose Trust Funds | Total               |
|--|-----------------------------|---------------------|
| <b>Governmental Activities</b>           |                             |                     |
| Public Education                         | \$ 1,111,439                | \$ 1,111,439        |
| Transportation                           | —                           | 75,000              |
| Nonmajor Governmental Funds              | —                           | 951                 |
| Internal Service Funds                   | —                           | 500                 |
| <b>Business-type Activities</b>          |                             |                     |
| Transportation                           | —                           | 132,747             |
| <b>Total</b>                             | <b>\$ 1,111,439</b>         | <b>\$ 1,320,637</b> |

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During the course of operations, there are numerous transactions between funds within the state. Interfund transfers during the fiscal year are as follows (in thousands):

| Transfers to Other Funds (in thousands)               | Transfers from Other Funds (in thousands) |   |                     |                            |                     |
|---|---|---|---------------------|----------------------------|---------------------|
|   | Governmental Activities                   |   |                     |                            |                     |
|   | General Fund                              | Natural Resources, Environment, and Growth Management | Public Education    | Health and Family Services | Transportation      |
| <b>Governmental Activities</b>                        |   |   |                     |                            |                     |
| General Fund  | \$ —                                      | \$ 1,391,773  | \$ 3                | \$ 1,592,115               | \$ 467,196          |
| Natural Resources, Environment, and Growth Management | 177,175                                   | —   | —                   | 4,129                      | —                   |
| Public Education                                      | 17,592                                    | —   | —                   | 13,349                     | —                   |
| Health and Family Services                            | 79,861                                    | 1,518   | 208,768             | —                          | —                   |
| Transportation  | 125,218                                   | 20,988  | —                   | 456                        | —                   |
| Nonmajor Governmental Funds                           | 386,972                                   | 83,399  | 313,278             | 22,562                     | 1,770,298           |
| Internal Service Funds                                | 9,807                                     | 745   | —                   | 124                        | 294                 |
| <b>Business-type Activities</b>                       |   |   |                     |                            |                     |
| Transportation  | —   | —   | —                   | —                          | 63,383              |
| Lottery   | —   | —   | 2,236,639           | —                          | —                   |
| Hurricane Catastrophe Fund                            | —   | —   | —                   | —                          | —                   |
| Prepaid College Program                               | —   | —   | —                   | —                          | —                   |
| Reemployment Assistance                               | 497                                       | —   | —                   | —                          | —                   |
| Nonmajor Enterprise Funds                             | 88,598                                    | —   | —                   | 6,385                      | —                   |
| <b>Fiduciary Funds</b>                                |   |   |                     |                            |                     |
| Private-purpose Trust Funds                           | 23  | —   | 9                   | 148                        | —                   |
| Pension and Other Employee Benefits Trust Funds       | 3,111                                     | —   | —                   | —                          | —                   |
| Custodial Funds                                       | 4,125                                     | —   | 370                 | —                          | —                   |
| <b>Total</b>  | <b>\$ 892,979</b>                         | <b>\$ 1,498,423</b>                                   | <b>\$ 2,759,067</b> | <b>\$ 1,639,268</b>        | <b>\$ 2,301,171</b> |

(Continued below)

| Transfers to Other Funds (in thousands)               | Transfers from Other Funds (in thousands) |                        |
|---|---|------------------------|
|   | Governmental Activities                   |                        |
|   | Nonmajor Governmental Funds               | Internal Service Funds |
| <b>Governmental Activities</b>                        |   |                        |
| General Fund  | \$ 1,685,867                              | \$ 334                 |
| Natural Resources, Environment, and Growth Management | 170,992                                   | —                      |
| Public Education                                      | 1,119,486                                 | —                      |
| Health and Family Services                            | 640,646                                   | —                      |
| Transportation  | 569,401                                   | —                      |
| Nonmajor Governmental Funds                           | 328,037                                   | 1,217                  |
| Internal Service Funds                                | 8,944                                     | —                      |
| <b>Business-type Activities</b>                       |   |                        |
| Transportation  | —   | —                      |
| Lottery   | 141                                       | —                      |
| Hurricane Catastrophe Fund                            | 13,500                                    | —                      |
| Prepaid College Program                               | —   | —                      |
| Reemployment Assistance                               | 71,720                                    | —                      |
| Nonmajor Enterprise Funds                             | 16,197                                    | —                      |
| <b>Fiduciary Funds</b>                                |   |                        |
| Private-purpose Trust Funds                           | 3,974                                     | —                      |
| Pension and Other Employee Benefits Trust Funds       | 85  | 20,620                 |
| Custodial Funds                                       | 254                                       | —                      |
| <b>Total</b>  | <b>\$ 4,629,244</b>                       | <b>\$ 22,171</b>       |

(Continued next page)

| Transfers to Other Funds (in thousands)               | Transfers from Other Funds (in thousands) |             |                         |                           |
|---|---|-------------|-------------------------|---------------------------|
|   | Business-type Activities                  |             |                         |                           |
|   | Transportation                            | Lottery     | Reemployment Assistance | Nonmajor Enterprise Funds |
| <b>Governmental Activities</b>                        |   |             |                         |                           |
| General Fund  | \$ —                                      | \$ —        | \$ 6,551                | \$ 2,219                  |
| Natural Resources, Environment, and Growth Management | —   | —           | 169                     | —                         |
| Public Education                                      | —   | —           | 18                      | —                         |
| Health and Family Services                            | —   | —           | 1,761                   | 1,151                     |
| Transportation  | 117,968                                   | —           | 135                     | —                         |
| Nonmajor Governmental Funds                           | —   | 7           | 904                     | 3,348                     |
| Internal Service Funds                                | —   | —           | 40                      | 98                        |
| <b>Business-type Activities</b>                       |   |             |                         |                           |
| Transportation  | —   | —           | —                       | —                         |
| Lottery   | —   | —           | 21                      | —                         |
| Hurricane Catastrophe Fund                            | —   | —           | —                       | —                         |
| Prepaid College Program                               | —   | —           | —                       | —                         |
| Reemployment Assistance                               | —   | —           | —                       | —                         |
| Nonmajor Enterprise Funds                             | —   | —           | 125                     | —                         |
| <b>Fiduciary Funds</b>                                |   |             |                         |                           |
| Private-purpose Trust Funds                           | —   | —           | 3                       | —                         |
| Pension and Other Employee Benefits Trust Funds       | —   | —           | 13                      | 19,531                    |
| Custodial Funds                                       | —   | —           | —                       | —                         |
| <b>Total</b>  | <b>\$ 117,968</b>                         | <b>\$ 7</b> | <b>\$ 9,740</b>         | <b>\$ 26,347</b>          |

(Continued below)

| Transfers to Other Funds (in thousands)               | Transfers from Other Funds (in thousands) |   |                 |                      |
|---|---|---|-----------------|----------------------|
|   | Fiduciary Funds                           |   |                 |                      |
|   | Private-purpose Trust Funds               | Pension and Other Employee Benefits Trust Funds | Custodial Funds | Total                |
| <b>Governmental Activities</b>                        |   |   |                 |                      |
| General Fund  | \$ 1,770                                  | \$ 15,557                                       | \$ 770          | \$ 5,164,155         |
| Natural Resources, Environment, and Growth Management | —   | —   | —               | 352,465              |
| Public Education                                      | —   | —   | —               | 1,150,445            |
| Health and Family Services                            | —   | —   | —               | 933,705              |
| Transportation  | —   | —   | —               | 834,166              |
| Nonmajor Governmental Funds                           | —   | —   | —               | 2,910,022            |
| Internal Service Funds                                | —   | 1,425   | —               | 21,477               |
| <b>Business-type Activities</b>                       |   |   |                 |                      |
| Transportation  | —   | —   | —               | 63,383               |
| Lottery   | —   | —   | —               | 2,236,801            |
| Hurricane Catastrophe Fund                            | —   | —   | —               | 13,500               |
| Prepaid College Program                               | 7,907                                     | —   | —               | 7,907                |
| Reemployment Assistance                               | —   | —   | —               | 72,217               |
| Nonmajor Enterprise Funds                             | —   | —   | —               | 111,305              |
| <b>Fiduciary Funds</b>                                |   |   |                 |                      |
| Private-purpose Trust Funds                           | —   | —   | —               | 4,157                |
| Pension and Other Employee Benefits Trust Funds       | —   | 809,127   | —               | 852,487              |
| Custodial Funds                                       | —   | —   | —               | 4,749                |
| <b>Total</b>  | <b>\$ 9,677</b>                           | <b>\$ 826,109</b>                               | <b>\$ 770</b>   | <b>\$ 14,732,941</b> |

## NOTE 12 - RISK MANAGEMENT

## A. State Risk Management Trust Fund

The State Risk Management Trust Fund (Fund) provides property insurance coverage for state buildings and contents against loss from fire, lightning, sinkholes, flood, and other hazards customarily insured by extended coverage. The property insurance program has a self-insured retention of \$2 million per occurrence for losses arising from all perils listed above except named windstorm and flood. The property insurance program also has a self-insured retention of \$2 million per occurrence for losses arising from named windstorm and flood, but with an additional annual aggregate self-insured retention of \$40 million. Commercial reinsurance is purchased for losses over the self-insured retention up to \$57.5 million per occurrence for named windstorm and flood losses through February 15, 2022, and \$225 million per occurrence for covered perils other than named wind and flood.

The Fund's estimated liability for unpaid property insurance claims at the fiscal year-end is determined by an actuarial method and includes an amount for losses incurred but not yet reported. The amount paid for property claim losses did not exceed the self-insured retentions for the last two fiscal years. Changes in the Fund's property insurance claims liability amount for the fiscal years ended June 30, 2020, and June 30, 2021, were as follows (in thousands):

| Fiscal Year Ended | Beginning of Fiscal Year Liability | Current Year Claims and Changes in Estimate | Claim Payments | Balance at Fiscal Year-end |
|-------------------|------------------------------------|---|----------------|----------------------------|
| June 30, 2020     | \$ 1,088                           | \$ 2,516                                    | \$ (2,569)     | \$ 1,035                   |
| June 30, 2021     | \$ 1,035                           | \$ 2,463                                    | \$ (2,186)     | \$ 1,312                   |

The estimated liability for unpaid property insurance claims for the fiscal year ended June 30, 2021, does not include outstanding property claim loss payments resulting from Tropical Storm Elsa that made landfall in Florida's Big Bend area on July 7, 2021. Estimated loss payments for Tropical Storm Elsa total \$1.2 million, which will not exceed the aggregate self-insurance retention for named windstorms and flooding.

The Fund also provides casualty insurance coverage for the risks of loss related to federal civil rights and employment actions, workers' compensation, court-awarded attorney fees, automobile liability, and general liability. The state is self-insured for all claims associated with liability risks and in-state workers' compensation coverage. The state purchases an insurance policy for out-of-state workers' compensation coverage.

The estimated liability for unpaid casualty insurance claims at June 30, 2021, was \$1.17 billion. This amount was determined through an actuarial method based on historical paid and incurred losses and includes an amount for losses incurred but not yet reported. In addition, this amount includes the present value of workers' compensation indemnity claims liability of \$251.5 million, discounted using a 4 percent annual percentage rate per Section 625.091, Florida Statutes. The undiscounted workers' compensation indemnity claims liability is \$359.3 million.

Changes in the Fund's casualty insurance claims liability for the fiscal years ended June 30, 2020, and June 30, 2021, were as follows (in thousands):

| Fiscal Year Ended | Beginning of Fiscal Year Liability | Current Year Claims and Changes in Estimate | Claim Payments | Balance at Fiscal Year-end |
|-------------------|------------------------------------|---|----------------|----------------------------|
| June 30, 2020     | \$ 1,147,476                       | \$ 144,799                                  | \$ (141,457)   | \$ 1,150,818               |
| June 30, 2021     | \$ 1,150,818                       | \$ 143,727                                  | \$ (129,398)   | \$ 1,165,147               |

Actual current year claims and changes in estimate for casualty lines of coverage for the fiscal year ended June 30, 2021, decreased by \$1.1 million as compared to the previous fiscal year.

**B. Employee and Retiree Health Insurance Funds**

Employees and retirees may obtain health care services through participation in the state's group health insurance plan or through membership in a health maintenance organization plan under contract with the state. The state's risk financing activities associated with state group health insurance, such as the risks of loss related to medical and prescription drug claims, are administered through the State Employees Group Health Insurance Trust Fund, an internal service fund. It is the practice of the state not to purchase commercial coverage for the risks of losses covered by this program.

The program's estimated fiscal year-end liability includes an amount for claims that have been incurred but not reported, which is based on analyses of historical data performed by both the state and its contractors. Changes in claims liability amounts for the fiscal years ended June 30, 2020, and June 30, 2021, were as follows (in thousands):

| Fiscal Year<br>Ended | Beginning of<br>Fiscal Year<br>Liability | Current Year<br>Claims and<br>Changes in<br>Estimate | Claim<br>Payments | Balance at<br>Fiscal<br>Year-end |
|----------------------|--|--|-------------------|----------------------------------|
| June 30, 2020        | \$ 197,487                               | \$ 2,028,133   | \$ (2,031,086)    | \$ 194,534                       |
| June 30, 2021        | \$ 194,534                               | \$ 2,225,921   | \$ (2,180,869)    | \$ 239,586                       |

During the year, for program operations, both employee and retiree participation in the state group health insurance program are accounted for in the State Employees Group Health Insurance Trust Fund. Retiree participation in the program is considered an Other Postemployment Benefit (OPEB) for purposes of this report. See Note 6, Section B regarding OPEB for additional information. Asset and liability balances related to retiree participation in the program as of June 30, 2021, were transferred from the State Employees Group Health Insurance Trust Fund and reported in Other Agency Funds in accordance with the requirements of GASB Codification Section P53, *Reporting Assets Accumulated for Defined Postemployment Benefits Other Than Pensions not Provided Through Trusts that Meet Specified Criteria*.

**NOTE 13 - FLORIDA PREPAID COLLEGE PROGRAM**

The Stanley G. Tate Florida Prepaid College Program (Program) was created in 1987 to provide a medium through which the costs of tuition, tuition differential fee, local fees, and dormitory residence may be paid in advance of enrollment in a state postsecondary institution at a rate lower than the projected corresponding cost at the time of actual enrollment. The Florida Prepaid College Board (Board) administers the Program, and the State of Florida guarantees the obligations of the Board to qualified beneficiaries if moneys in the Program are insufficient. The Program is accounted for in an enterprise fund. An actuarial study is performed to determine the Program's funding status. The actuarial present value of future contract benefits reflects the present value of estimated future contract benefits and expenses and is adjusted for the effects of projected tuition and fees increases, dormitory housing fees increases, and termination of contracts. Additional information as of June 30, 2021, is as follows (in millions):

|  |          |
|--|----------|
| Actuarial present value of future contract benefits and expenses payable, and near-term payables                   | \$11,594 |
| Net position available (net of outstanding refund payments and unrealized gain/loss on security lending portfolio) | \$16,298 |
| Net position as a percentage of future contract benefits and expenses obligation                                   | 140.6%   |

## NOTE 14 -INSURANCE ENTERPRISES

The State of Florida has established multiple enterprises that provide insurance, reinsurance, and guarantee services. The primary risk exposures to the state relate to catastrophic hurricane losses, access to liquidity from credit markets, and ultimate dependence on public assessments.

### A. FLORIDA HURRICANE CATASTROPHE FUND

The Florida Hurricane Catastrophe Fund (FHCF) was created in 1993 by the Florida Legislature, as a state fund administered by the State Board of Administration (SBA) to provide a source of reimbursement to most residential property insurers for catastrophic hurricane losses, thereby creating additional insurance capacity. Most admitted residential property insurers writing FHCF covered policies are required to purchase reimbursement coverage with the FHCF.

The reimbursement coverage covers a portion of hurricane losses in excess of an insurer's share of an industry wide retention, up to the lesser of either the statutory limit or the actual claims-paying capacity of the FHCF. For the contract year ended May 31, 2021, the industry retention for determining each insurer's retention was \$7.832 billion per hurricane for the two hurricanes with the largest losses and \$2.611 billion for each additional hurricane in the contract year. The aggregate coverage capacity for the contract year (in excess of retention) was \$17.0 billion. The statute requires that an actuarially indicated formula developed by an independent actuary be used to calculate the reimbursement premiums collected for the coverage.

The SBA is required to contract with each insurer writing covered policies in the state to reimburse the insurer for a specified percentage of losses from covered events in excess of the insurer's retention. The total obligation of the SBA with respect to all contracts covering a particular contract year is statutorily capped at the "actual claims-paying capacity" of the FHCF, defined by law as the sum of the balance of the fund as of December 31 of the contract year, plus any reinsurance purchased by the fund, plus the amount the SBA is able to raise through the issuance of revenue bonds. The FHCF estimates its claims-paying capacity twice a year in May and October based on reports of its financial advisors and bond underwriters, and these amounts are reviewed by the FHCF Advisory Council. The FHCF has a fiscal year end of June 30 and its reimbursement contracts expire on May 31. As of June 30, 2021, the FHCF had a net position of \$10.195 billion, including the net position of the State Board of Administration Finance Corporation.

If available resources and pre-catastrophe debenture financing are not adequate to satisfy reimbursement claims, the State Board of Administration Finance Corporation may issue revenue bonds secured by emergency assessments. The SBA has the sole authority to direct the Florida Office of Insurance Regulation to levy assessments on most property and casualty insurance policy premiums on behalf of the FHCF. Aggregate assessments may not exceed 10% and assessments in relation to losses in one contract year may not exceed 6%. This assessment authority is not restricted by the assessments levied by either Citizens Property Insurance Corporation (Citizens), a discretely presented component unit, or the Florida Insurance Guaranty Association, Inc. (FIGA). As of June 30, 2021, the FHCF is not levying assessments.

Hurricane losses represent the estimated ultimate cost of all reported and unreported claims during the year that exceed the participating insurers' individual company retention levels. The estimates for current year and prior year losses are continually reviewed and adjusted as experience develops or new information becomes known and such adjustments are included in current operations. During the 2018 hurricane season, the State of Florida experienced Hurricane Michael, which made landfall as a major Category 5 storm on October 10, 2018. As of June 30, 2021, the estimated ultimate loss to the FHCF for this hurricane was \$1.45 billion. Hurricane Irma, which occurred during the 2017 hurricane season, had an estimated ultimate loss as of June 30, 2021 of \$7.8 billion. The estimated ultimate losses from these events are reflected in the FHCF's net position as of June 30, 2021.

In March 2016, pre-event Series 2016A Revenue Bonds were issued in the amount of \$1.2 billion to provide funds, together with other available funds, to maximize the ability of the FHCF to meet future obligations. The proceeds from these bonds may be used to pay for losses incurred from future covered events. Investment earnings on these funds, as well as reimbursement premiums, if necessary, are used to pay the debt service requirements of these bonds. The final maturity of these bonds in the amount of \$650 million occurred on July 1, 2021.

On September 16, 2020, the Corporation issued \$3.5 billion of pre-event Series 2020A Revenue Bonds to maximize the ability of the Fund to meet future obligations. The proceeds from these bonds may be used to pay for losses incurred from future covered events. Investment earnings on these funds, as well as reimbursement premiums, if necessary, are used to pay the debt service requirements of these bonds. The Series 2020A Revenue Bonds have maturities of \$1.25 billion on July 1, 2025, \$1.0 billion on July 1, 2027, and \$1.25 billion on July 1, 2030 bearing interest rates of 1.258%, 1.705%, and 2.154%, respectively.

In addition to the issuance of bonds, the FHCF has the authority to procure reinsurance for the purpose of maximizing the capacity of the fund. No reinsurance products were purchased for the contract year beginning June 1, 2020, or June 1, 2021.



## B. CITIZENS PROPERTY INSURANCE CORPORATION

Citizens Property Insurance Corporation (Citizens) was established on August 1, 2002, pursuant to Section 627.351(6), Florida Statutes (the Act), to provide certain residential and non-residential property insurance coverage to qualified risks in the State of Florida under circumstances specified in the Act. This legislation was enacted such that property insurance be provided through Citizens to applicants who are in good faith entitled to procure insurance through the voluntary market, but are unable to do so. Citizens results from a combination of the Florida Residential Property and Casualty Joint Underwriting Association (the FRPCJUA) and the Florida Windstorm Underwriting Association (the FWUA). The FRPCJUA was renamed Citizens and the FWUA's rights, obligations, assets, liabilities and all insurance policies were transferred to Citizens. Unlike private insurers offering coverage through the admitted market, Citizens is not required to obtain or to hold a certificate of authority issued by the Florida Department of Financial Services, Office of Insurance Regulation (the Office). Likewise, Citizens is not subject to Risk-Based Capital (RBC) requirements or required to have a pledged deposit on file with the State of Florida. For purposes of its tax-exempt status, Citizens is considered a political subdivision and an integral part of the State of Florida. As such, Citizens' operations may be affected by the legislative process.

Citizens operates pursuant to a Plan of Operation (the Plan), under the Act, approved by the Financial Services Commission (the Commission) of the State of Florida. The Commission is composed of the Governor, the Chief Financial Officer, the Attorney General, and the Commissioner of Agriculture of the State of Florida.

Citizens is supervised by a Board of Governors (the Board) which consists of nine individuals who reside in the State of Florida. The Governor appoints three members, and the Chief Financial Officer, the President of the Senate, and the Speaker of the House of Representatives each appoint two members of the Board. At least one of the two members appointed by each appointing officer must have a demonstrated expertise in the insurance industry. The Chief Financial Officer designates one of the appointees as the Board's chair. All Board members serve at the pleasure of their appointing officers.

Citizens' President and Chief Executive Officer (Executive Director) and senior managers are engaged by and serve at the pleasure of the Board. The Executive Director is subject to confirmation by the Florida Senate.

Pursuant to the Act, all revenues, expenses, assets, and liabilities of Citizens shall remain divided into three separate accounts: The Personal Lines Account, the Commercial Lines Account, and the Coastal Account (collectively, the Accounts). A brief history of each account follows:

- *Personal Lines Account History* - The FRPCJUA began operations on January 21, 1993, after Hurricane Andrew, pursuant to Section 627.351(6), Florida Statutes, to provide certain residential property insurance coverage to qualified risks in the State of Florida for applicants who were in good faith entitled to procure insurance through the private market but were unable to do so. Residential property coverage consists of the types of coverage provided to homeowners, mobile homeowners, tenants, condominium unit owners, and similar policies. The policies provide coverage for all perils covered under a standard residential policy, subject to certain underwriting requirements. Such policies may exclude windstorm coverage on property within eligible areas. This portion of the FRPCJUA's activities became the Personal Lines Account (PLA) under Citizens.
- *Commercial Lines Account History* - The Florida Property and Casualty Joint Underwriting Association (FPCJUA) was activated in early 1994 to provide commercial residential coverage (i.e., coverage for condominium associations, apartment buildings and homeowner associations) to organizations unable to obtain such coverage from a private insurer. During 1995, legislation was enacted to transfer all obligations, rights, assets, and liabilities related to commercial residential coverage from the FPCJUA to the FRPCJUA. The legislation required that the premiums, losses, assets, and liabilities be accounted for separately from the FRPCJUA's personal residential business. This portion of the FRPCJUA's activities became the Commercial Lines Account (CLA) under Citizens. In 2006, the FPCJUA was re-activated to provide commercial non-residential wind- only coverage. In 2007, legislation was enacted which resulted in the transfer and assumption of FPCJUA's commercial non-residential policies by Citizens. These policies were added to the CLA.
- *Coastal Account History* - The FWUA, which was a residual market mechanism for windstorm and hail coverage in select areas of the State of Florida, was created by an act of the Florida Legislature in 1970 pursuant to Section 627.351(2), Florida Statutes. FWUA was a Florida unincorporated association, the members of which were all property insurance companies holding a certificate of authority to provide property insurance coverage in the State of Florida. FWUA provided policies of windstorm insurance for property owners within the eligible areas who were unable to obtain such coverage from private insurers. Insured properties include personal residential, commercial residential and commercial non-residential properties. This portion of the FWUA's activities became the High-Risk Account under Citizens. In 2007, Citizens received authority to issue multi-peril policies in the High-Risk Account. Pursuant to legislative changes during 2011, the High-Risk Account was renamed the Coastal Account.

To provide relief to policyholders affected by Covid-19, a moratorium on cancellation or non-renewals of insurance policies was established and effected in March 2020. Citizens continued its normal billing for premium, but did not send cancellation and non-renewal notices, resulting in continued coverage for policyholders who could not pay on time. Effective February 1, 2021, this moratorium was lifted, and payment exceptions were curtailed, resulting in the cancellation of policies due to non-payment of premium. At December 31, 2020, premiums receivable was reduced by \$28.2 million for policies with a balance due at December 31, 2020, that subsequently cancelled on or after February 16, 2021, due to non-payment of premium, of which \$21.7 million and \$6.5 million were charged against direct written and to bad debt expense, respectively.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. Application of these criteria determines potential component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the primary government's financial statements to be misleading or incomplete. Based on the application of these criteria, Citizens is a component unit of the State of Florida, and its financial activity is reported in the state's Annual Comprehensive Financial Report by discrete presentation.

The financial statements presented herein relate solely to the financial position and results of operations of Citizens and are not intended to present the financial position of the State of Florida or the results of its operations or its cash flows.

Citizens has determined that it has no component units that should be included in its separately reported financial statements. However, the Florida Market Assistance Plan (FMAP) is a financially related entity. FMAP is a 501(c)(6) entity created by Section 627.3515, Florida Statutes. FMAP was created for the purpose of assisting in the placement of applicants who are unable to procure property or casualty insurance coverage from authorized insurers when such insurance is otherwise generally available. As provided legislation, each person serving on the Board of Citizens also serves on the Board of FMAP. In addition, Citizens is required to fund any deficit incurred by FMAP in performing its statutory purpose. No such funding has taken place from FMAP inception through December 31, 2020.

### **C. FLORIDA INSURANCE GUARANTY ASSOCIATION, INC.**

The Florida Insurance Guaranty Association, Inc. (FIGA), a not-for-profit corporation, was established by the Florida Legislature through the Florida Insurance Guaranty Association Act of 1970 (the Act). FIGA was created to provide a mechanism for the payment of covered claims of insolvent insurers and to assist in the detection and prevention of insurers' insolvencies. FIGA operates under the supervision and approval of a board of directors, comprised of five to nine persons, pursuant to Section 631.56, F.S. Seven persons are recommended by member insurers, unless Citizens Insurance Corporation represents one of the top ten writers of the residential property insurance market, in which case, six are recommended by member insurers. Two additional Board members, one recommended by Florida domestic members, and the other by the Department of Financial Services (the "Department"). Recommendations to the Board are reviewed and subsequently appointed by the Department.

The members of FIGA are all insurers that hold a certificate of authority to provide property and casualty coverage in the State of Florida.

The funding of FIGA's activities is provided by distributions from the estates of insolvent insurers and assessments of members. The assessments are calculated and, as considered necessary, levied against member insurers on the basis of direct written premiums in the State of Florida in the classes protected by the Act. FIGA obtains the amount of the direct written premiums, by company and by class of protection, to use as the basis for assessment calculations. The maximum regular assessment rate is 2%. In addition to the regular assessment, FIGA has the authority to levy an emergency assessment up to an additional 4% of direct written premiums for the account specified in Section 631.55(2)(b), F.S., to pay covered claims of insurers rendered insolvent by the effects of a hurricane. FIGA also has the authority to work with an affected municipality, county, or financing conduit organization under Chapter 163, F.S., to issue tax-exempt bonds should the funding need arise for the account specified in Section 631.55(2)(b), F.S. As of June 30, 2021, FIGA has not needed to utilize this bonding authority and no tax-exempt bonds have been issued.

### **D. FLORIDA WORKERS' COMPENSATION INSURANCE GUARANTY ASSOCIATION, INC.**

The Florida Workers' Compensation Insurance Guaranty Association, Inc. (FWCIGA), a not-for-profit corporation, was established by the Florida Legislature in 1997 as a merger of the workers' compensation account of the Florida Insurance Guaranty Association, Inc., and the Florida Self-Insurance Fund Guaranty Association. FWCIGA was created to provide a mechanism for the payment of covered claims of insolvent workers' compensation insurers and to assist in the detection and prevention of insurers' insolvencies. FWCIGA operates under the supervision and approval of a board of directors, comprised of eleven persons. Eight directors are recommended by member insurers pursuant to Section 631.912, F.S. and subsequently appointed by the Florida Department of Financial Services. The remaining three directors are the Florida

Insurance Consumer Advocate, designee of the state's Chief Financial Officer, and one person with commercial insurance experience appointed by the Governor.

The members of FWCIGA are all insurers that hold a certificate of authority to provide workers' compensation coverage in the State of Florida.

The funding of FWCIGA's activities is provided by distributions from the estates of insolvent insurers and assessments of members. The assessments are calculated and, as considered necessary, levied against member insurers on the basis of workers' compensation direct written premiums in the State of Florida prior to reductions for discounts or credits for deductibles in a policy or by any premium adjustment to a retrospectively rated policy. FWCIGA obtains the amount of the direct written premiums, by company, to use as the basis for assessment calculations. The maximum assessment rate is 2% for insurance companies and self-insurance funds. In addition to the regular assessment, the Florida Legislature granted FWCIGA the authority to levy an up to an additional 1.5% of direct written premiums if the 2% assessment is insufficient to make payments for the calendar year.

FWCIGA's Board of Directors certified the need for a 1% assessment on its member insurers in 2020. The 1% assessment was levied on all new and existing renewal policies with effective dates beginning January 1, 2020 through December 31, 2020. No assessment was levied in 2021.

## NOTE 15 - CONTINGENCIES

### A. Federal Family Education Loan Program

The Florida Department of Education (FDOE) administers the Federal Family Education Loan Program (FFELP), 20 USC s. 1071 et. seq. The primary purpose is to guarantee the repayment of principal and accrued interest of eligible student loans made by participating lenders under the FFELP.

The Higher Education Amendments of 1998 (the Amendments) were enacted on October 7, 1998, with a retroactive date of October 1, 1998, for most provisions. The Amendments changed the financial and reporting structure of guaranty agencies. Pursuant to the amendments, the FDOE established a Federal Student Loan Reserve Fund (Federal Fund) and a Guaranty Agency Operating Fund, as required, to account for the FFELP activities, 20 USC s. 1072a and s. 1072b.

The regulations for administering the program are found in Title 34 of the Code of Federal Regulations, Part 682. Student loans are issued by participating financial institutions to eligible students and their parents under FFELP. If a student loan guaranteed by FDOE defaults, the Federal Fund pays the lender for the defaulted student loan. The United States Department of Education (USDOE) is the program's reinsurer. Reinsurance amounts received from the USDOE to replenish the Federal Fund are currently 100%. Once the loan has defaulted, the FDOE begins collection activities with the borrower.

The passage of the Health Care and Education Reconciliation Act of 2010 ended the guarantor portion of the program after June 30, 2010. FDOE still maintains administrative and collection activities for the loans guaranteed by FDOE prior to July 1, 2010, as required by FFELP. The Federal Fund is used to account for assets held by FDOE as an agent for the Federal government and therefore is custodial in nature and is the property of USDOE. At June 30, 2021, approximately \$53 million of Program loans were still outstanding from loans that had been made prior to the Program ending on June 30, 2010. The amount of potential liability to the federal fund is indeterminable.

### B. Federally Assisted Grant Programs

**Medicaid Program** - The United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) is requesting state reimbursement of amounts determined unallowable under the Florida Medicaid Reform Section 1115 Demonstration Waiver Special Terms and Conditions for state fiscal years ended June 30, 2006, through June 30, 2014. The CMS alleged the State of Florida submitted Low Income Pool (LIP) cost limit reconciliations showing LIP payments in excess of allowable costs for LIP providers. The disallowance notice was issued on September 28, 2016, and the Agency for Health Care Administration (AHCA) filed its Request for Reconsideration with the CMS on November 21, 2016. On January 19, 2017, AHCA's Request for Reconsideration was denied by CMS. AHCA filed an appeal with the Department Appeals Board (DAB). At this time, the briefing has concluded, and a decision is expected to be issued. On February 25, 2021, DAB entered an order (HHS DAB Decision No. 3031) upholding the disallowance in full (Board Docket No. A-17-64). AHCA appealed (AHCA v. HHS; Case No. 21-cv-21616). That case is indefinitely stayed pending settlement discussions. However, AHCA also made a series of payments and the amount due (\$97,570,183) has been fully refunded to CMS as of July 1, 2021.

**Medicaid Program** - CMS is requesting state reimbursement of the federal share paid for claimed Medicaid expenditures associated with LIP payments made under Florida's Medicaid Reform Section 1115 Demonstration covering the period from July 1, 2006, through June 30, 2009. The disallowance notices were issued on September 28, 2016, and the AHCA filed its Request for Reconsideration with the CMS on November 21, 2016. On January 19, 2017, AHCA's Request for Reconsideration was denied by CMS. AHCA filed an appeal with the DAB. On February 25, 2021, the DAB entered an order (HHS DAB Decision No. 3032) upholding the disallowance, except as related to Jackson Memorial costs, and remanding for CMS for further fact-finding. CMS will need to reissue its demand and disallowance letters. This will provide the Agency another opportunity to challenge the results. Most disallowance actions result in a reduction in the total disallowance. The amount is currently unspecified and remains to be determined, but will not exceed the original disallowance of \$63,233,036 FFP (plus interest).

**Medicaid Program** - On July 29, 2016, AHCA posted amended outpatient Medicaid rates for state fiscal year 2016-2017 to its website. Those Medicaid reimbursement rate change forms were dated July 29, 2016 ("July 29 Rate Letters"). The Public Health Trust of Miami-Dade County, Florida filed its Petition for Formal Administrative Determination of

Invalidity of Agency Statements and Existing Rule 59G-6.030 on October 31, 2016. The petition was then consolidated with other petitions that challenged the same issue. Petitioners alleged the July 29 Rate Letters and the methodology by which AHCA used to calculate the outpatient Medicaid rates are statements that constitute an unadopted rule. On February 13, 2017, the Division of Administrative Hearings (DOAH) issued an Order Extending Stay of Unadopted Rule Challenge and Rescheduling Final Hearing in Existing Rule Challenge. On February 23, 2017, the final hearing was held at DOAH. The Petitioners were unsuccessful, and the Agency prevailed. The hospitals filed an appeal. The appeal concluded and the Court entered an Order in favor of the Hospitals. At this time the Agency is attempting to calculate the impact of this challenge which could result in a net fiscal impact in excess of \$25 million.

**Medicaid Program** - This is a statewide class action lawsuit filed in 2005 related to children's access to medical and dental services. After a protracted trial, the court issued findings of fact and conclusions of law in 2014 that were unfavorable to the AHCA, without regard to the fact that in the meantime Florida's Medicaid program had been entirely transformed by the implementation of Statewide Medicaid Managed Care. In 2015, the State entered into a settlement agreement with the Plaintiffs requiring ongoing meetings and performance measures over the next four years. The measures reached in 2019 place AHCA out of compliance with the terms of the settlement agreement. The parties are currently negotiating next steps, including weighing the utility of a corrective action plan versus other means of resolution. The outcome of these negotiations will determine whether the case will conclude or potentially go back to trial. If the parties move forward with a corrective action plan, the State may be required to seek an appropriation from the legislature in order to pay all pediatric physicians' 100 percent of the Medicare rate. Depending on the outcome of the ongoing settlement negotiations, the cost of this case could reasonably exceed \$25 million going forward.

**Medicaid Program** – On January 6, 2022, CMS issued a demand letter requesting repayment in the amount of \$270,896,313 for unallowable payments to Jackson Memorial Hospital under its LIP program for the State fiscal years 2010, through 2014. If AHCA is ultimately unsuccessful in its challenges, it may be required to return \$270,896,313 to the Federal Government.

### C. Other

**Disability Rights Florida Inc. v. Julie Jones, Secretary, Florida Department of Corrections, Case No. 3:18-cv-179-J-25JRK (U.S. District Court, Middle District of Florida)** - Plaintiffs alleged that the Florida Department of Corrections (DOC) denied mental health care to mentally ill inmates confined in the inpatient mental health units, in violation of the Eighth Amendment of the U.S. Constitution, Title II of the Americans with Disabilities Act, and the Rehabilitation Act. In February 2018, the Court approved a consent decree under which DOC agreed to implement widespread changes to its psychiatric treatment system. The parties filed a joint motion to extend jurisdiction and the court issued an order extending the jurisdiction to June 30, 2022. Potential costs to implement this agreement could exceed \$25 million.

**Inpatient/Outpatient Hospital Rate Challenges** - Approximately 60 petitioner hospitals challenged Notice of Agency Action letters issued by AHCA in February 2015 regarding inpatient and outpatient hospital rates. The hospitals filed petitions with the Agency Clerk, which were forwarded to the Division of Administrative Hearings. By mutual agreement between AHCA and the petitioners, the cases were relinquished back to AHCA in March 2015 for settlement negotiations, which continue. Approximately half of these petitions have been resolved by final order. An adjustment to inpatient and outpatient reimbursement rates could result in a net fiscal impact exceeding \$25 million.

**Disability Rights Florida Inc. (DRF) v. Julie Jones, Florida Department of Corrections; Case No. 4:16cv47 (U.S. District Court, Northern District Florida)** - The Plaintiff alleges that DOC consistently violated the laws protecting incarcerated people with disabilities. The parties entered into a settlement agreement and DOC is currently implementing the terms of the settlement agreement. On or about December 4, 2019, DRF filed a breach of contract lawsuit in state court. The parties entered into a new settlement agreement on November 8, 2021. Potential costs to implement the suit could exceed \$25 million.

## NOTE 16 - LITIGATION

Due to its size and broad range of activities, the State is involved in various, though sometimes routine, legal actions. The following are the significant loss contingencies associated with legal proceedings:

- A. Ayers, et al., v. Florida Department of Agriculture and Consumer Services, Case No. 05-CA-4120 (9<sup>th</sup> Cir. Orange County); In re Citrus Canker Litigation, Case No. 03-CA-8255 (11<sup>th</sup> Cir. Miami-Dade County) (on appeal as Lopez-Brignoni v. Florida Department of Agriculture and Consumer Services, Case No. 3D17-2077 (Fla. 3d DCA)); Gary M. Mahon d/b/a/ Pokey's Lake Gem Citrus Nursery v. Florida Department of Agriculture and Consumer Services, Case No. 08-CA-30736 (9<sup>th</sup> Cir. Orange County); John L. and Shelby Mahon d/b/a John's Citrus Trees v. Florida Department of Agriculture and Consumer Services, Case No. 11-CA-3036A (5<sup>th</sup> Cir. Lake County) (on appeal Case No. 5D21-3189 (Fla. 5<sup>th</sup> DCA)); Dooley Groves, Inc. v. Florida Department of Agriculture and Consumer Services, et. al, Case No. 09-CA-12839 (13<sup>th</sup> Cir. Hillsborough County).**

Plaintiffs in these actions are homeowners certified as a class or entities seeking compensation for the removal of their canker-exposed citrus trees by the Florida Department of Agriculture and Consumer Services (DACS) after January 1, 2000.

In Ayers, Case No. 05-CA-4120, concerns homeowners in Orange County. Judgments against DACS were paid by a July 2021 appropriation from the Florida Legislature.

In re Citrus Canker Litigation, Case No. 03-CA-8255, concerns homeowners in Miami-Dade County. The circuit court found no liability on behalf of DACS. The Third District Court of Appeal reversed the decision and ordered the case to go to a compensation trial. The Florida Supreme Court declined to review the case. The parties subsequently entered into a settlement agreement wherein DACS agreed to pay \$76.9 million.

In Gary M. Mahon, Case No. 08-CA-30736, an Orange County nursery owner sued in inverse condemnation for the destruction of nursery citrus plants. The circuit court found no liability as to 400,000 plants and liability as to 152,871 plants. A compensation trial is scheduled.

In John L. and Shelby Mahon, Case No. 11-CA-3036, Lake County nursery owners sued in inverse condemnation for the destruction of nursery citrus plants. The circuit court found no liability as to 7,200 plants and liability as to 7,700 plants. After a compensation trial, the court entered judgment against DACS for \$1.7 million. An appeal is pending before the Fifth District Court of Appeal.

In Dooley Grove, Inc., Case No. 09-CA-12839, a Hillsborough County grove owner sued in inverse condemnation for the destruction of approximately 6,000 citrus trees. The circuit court found liability as to the trees. A compensation trial is not currently scheduled.

- B. Hoffer, et al., v. Secretary, Florida Department of Corrections, Case No. 19-11921 (U.S. Court of Appeals, 11<sup>th</sup> Cir.); Hoffer, et al., v. Secretary, Department of Corrections, Case No. 4:17-cv-214-MW-CAS (U.S. District Court, Northern District of Florida)**

Plaintiffs allege that the Florida Department of Corrections (DOC) failed to provide proper medical treatment to inmates with chronic Hepatitis C (HCV), thus violating the Eighth Amendment of the U.S. Constitution, Title II of the Americans with Disabilities Act, and the Rehabilitation Act. In November 2017, the U.S. District Court certified the class and in December 2017 issued a preliminary injunction ordering DOC to provide certain treatment. In April 2019, the District Court issued a final order and permanent injunction requiring DOC to treat all inmates with Hepatitis C and, among other requirements, to improve its identification of people with the disease. In August 2020, the Eleventh Circuit Court of Appeals reversed the District Court's order and vacated the permanent injunction to the extent they mandated treatment of inmates in the early stages of HCV. The Eleventh Circuit also vacated the remainder of the order and injunction and remanded the case for further proceedings. In August 2021, the case was settled, all claims were voluntarily dismissed, the District Court dismissed the matter with prejudice, and the issue of attorney fee liability was resolved. The 2021-22 fiscal year costs associated with ongoing injunctive relief are not expected to exceed \$25 million for testing, treatment, and staffing.

**C. C&S Wholesale Grocers, Inc. v. Florida Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco, Case No. 2020-CA-565 (2<sup>nd</sup> Cir., Leon County)**

C&S Wholesale Grocers, Inc., a wholesale dealer of cigarette and tobacco products, challenges the Department of Business and Professional Regulation's denial of a refund request for certain excise taxes and surcharges the Plaintiff paid on cigarettes for the period November 2016 through November 2019. Plaintiff alleges that these excise taxes and surcharges violate the Commerce Clause and the Equal Protection Clause of the U.S. Constitution by taxing different kinds of tobacco products disparately, without taxing or levying surcharges on cigars. Plaintiff seeks declaratory and monetary relief, including a refund totaling \$34,482,204. The case is ongoing.

**D. Christopher Alianiello, et. al, v. State of Florida, Department of Education, et. al, Case No. 2019-CA-1674 (2<sup>nd</sup> Cir. Leon County)**

Plaintiffs, including current and former individual teachers, seek to maintain a class action suit against the Department of Education (DOE) and certain school districts. Plaintiffs allege DOE improperly authorized districts to withhold payroll taxes from awards under the Best and Brightest Teacher Scholarship Program. Plaintiffs raise several contract and tort claims, request declaratory relief, and seek damages of the difference between what they received and the full statutory scholarship amount. In April 2020, the court granted in part DOE's motion to dismiss, dismissing without prejudice the federal taxation claims on federal preemption grounds, and reserved ruling on the remaining issues. The case was stayed pending Plaintiffs' refund request to the Internal Revenue Service (IRS), which the IRS denied in full in November 2021. The parties are scheduling a case status conference before the court. Damages may exceed \$34 million.

**E. UMB Bank, National Association, v. Florida Department of Transportation, Case No. 2018-CA-2677 (2d Cir., Leon County); Case No. 1D20-3665 (Fla. 1<sup>st</sup> DCA)**

Plaintiff, as successor trustee of the bonds sold to fund construction of the Garcon Point Bridge, filed suit against the Florida Department of Transportation (DOT), which insures, operates, and maintains the bridge pursuant to a Lease Purchase Agreement with the Santa Rosa Bay Bridge Authority. Plaintiff alleges that a toll increase is necessary to facilitate debt service and seeks damages of \$75 million for failing to increase tolls when initially requested by Plaintiff. In December 2019, the trial court granted Plaintiff's motion for summary judgment as to DOT's counterclaim and ordered DOT to implement the toll recommendations of its independent traffic consultant. DOT raised tolls in March 2020. In November 2020, the trial court entered a final judgment in favor of DOT on the damages claim. This aspect of the judgment was settled on February 21, 2022 by the First District Court of Appeal affirming the trial court's ruling. The remaining claim in this case relates to Plaintiff's claim seeking a declaratory judgment related to the prolonged emergency suspension of tolls (subsequently reinstated) that is pending at the trial court level.

**NOTE 17 - DEFICIT FUND BALANCE AND NET POSITION****A. Governmental Funds**

The *Public Education Fund* has a deficit unassigned fund balance of approximately \$910.4 million. The deficit is primarily the result of establishing an advance (long-term liability) on potential future claims by the Department of Financial Services' *Unclaimed Property Trust Fund*. The Department of Financial Services pays claims as they are due from current remittances. If sufficient funds are not available to pay claims, requests are made by the Department of Financial Services to the Department of Education to return the amount of funds necessary to pay claims or funds are borrowed from the Department of Financial Services' *Trust Funds Control Fund* and repaid prior to year-end.

**B. Proprietary Funds**

The Lottery has a deficit unrestricted net position of approximately \$61 million. This deficit is the result of certain liabilities being recorded for reporting purposes only and being excluded from the calculation of transfers to the *Educational Enhancement Trust Fund*. This deficit does not affect the Lottery's ability to pay prizes or provide services.

The Internal Service Fund, *Data Centers*, has a deficit net position of approximately \$16.4 million. This deficit is primarily due to long-term obligations, consisting mainly of a compensated absences liability and an accrual of pension and other post-employment benefit (OPEB) liabilities. The compensated absences liability will be liquidated on a pay-as-you-go basis. The pension and OPEB liabilities do not require cash flows and have no effect on the ability to provide services.

The Internal Service Fund, *Other*, has a deficit net position of approximately \$120.2 million. This deficit is primarily due to long-term obligations, consisting mainly of a compensated absences liability and an accrual of pension and OPEB liabilities. The compensated absences liability will be liquidated on a pay-as-you-go basis. The pension and OPEB liabilities do not require cash flows and have no effect on the ability to provide services.

**C. Component Units**

The Component Units, *Florida Colleges* and *Other State Universities*, have deficit unrestricted net positions of approximately \$381.8 million and \$592.5 million, respectively. Those deficits are primarily due to long-term obligations, consisting mainly of a compensated absences liability and an accrual of pension and OPEB liabilities. The compensated absences liability will be liquidated on a pay-as-you-go basis. The pension and OPEB liabilities do not require cash flows and have no effect on the ability to provide services.



## NOTE 18 - SUBSEQUENT EVENTS

## A. Bonds

The following bonds for governmental activities and business-type activities of the primary government were either issued, sold, or defeased subsequent to June 30, 2021:

## ISSUANCE OR SALE OF DEBT:

| Agency/Bond  | Series        | Amount         | Matures               | Interest Rate   |
|--|---------------|----------------|-----------------------|-----------------|
| <b>Governmental Activities:</b>  |               |                |                       |                 |
| Board of Governors, University of North Florida<br>Mandatory Student Fee Revenue Refunding Bonds                             | 2021A         | \$ 8,875,000   | 11/01/2021-11/01/2032 | 5.000% - 5.000% |
| Board of Governors, University of Central Florida<br>Dormitory Revenue Refunding Bonds                                       | 2021A         | \$ 42,815,000  | 10/01/2022-10/01/2041 | 2.000% - 5.000% |
| Department of Education, Florida College System Capital<br>Improvement Revenue Refunding Bonds                               | 2021A         | \$ 17,445,000  | 07/01/2022-07/01/2032 | 5.000% - 5.000% |
| Full Faith and Credit, State Board of Education,<br>Public Education Capital Outlay Refunding Bonds                          | 2022 Series A | \$ 122,705,000 | 06/01/2023-06/01/2033 | 5.000% - 5.000% |
| Full Faith and Credit, State Board of Education,<br>Public Education Capital Outlay Refunding Bonds                          | 2022 Series B | \$ 159,780,000 | 06/01/2023-06/01/2033 | 5.000% - 5.000% |
| Full Faith and Credit, State Board of Education,<br>Public Education Capital Outlay Refunding Bonds                          | 2022 Series C | \$ 151,945,000 | 06/01/2023-06/01/2032 | 5.000% - 5.000% |
| Full Faith and Credit, Department of Transportation, Right-<br>of-Way Acquisition and Bridge Construction Refunding<br>Bonds | 2022A         | \$ 132,720,000 | 07/01/2023-07/01/2034 | 5.000% - 5.000% |
| Department of Management Services Certificates of<br>Participation   | 2021A         | \$ 134,145,000 | 11/01/2021-11/01/2040 | 2.000% - 5.000% |
| <b>Business-type Activities:</b>   |               |                |                       |                 |
| Department of Transportation, Turnpike Revenue Bonds   | 2021B         | \$ 239,835,000 | 07/01/2022-07/01/2051 | 1.750% - 5.000% |
| Department of Transportation, Turnpike Revenue Bonds   | 2021C         | \$ 272,830,000 | 07/01/2022-07/01/2051 | 2.375% - 5.000% |

## CASH DEFEASANCE OF DEBT:

| Agency/Bond/Series   | Defeasance<br>Date | Amount        | Matures               | Interest Rate   |
|--|--------------------|---------------|-----------------------|-----------------|
| Department of Environmental Protection, Florida Forever<br>Revenue Refunding Bonds, Series 2011B | 8/17/2021          | \$ 10,500,000 | 7/1/2022              | 5.00%           |
| Department of Transportation, State Infrastructure Bank<br>Revenue Bonds, Series 2005A           | 10/20/2021         | \$ 5,520,000  | 07/01/2022-07/01/2026 | 4.250% - 5.000% |
| Department of Transportation, State Infrastructure Bank<br>Revenue Bonds, Series 2007            | 10/20/2021         | \$ 1,485,000  | 07/01/2022-07/01/2027 | 4.500% - 4.500% |

**OTHER REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**BUDGETARY COMPARISON SCHEDULES  
GENERAL AND MAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|                                       | General Fund    |               |               |  |
|---------------------------------------|-----------------|---------------|---------------|--|
|                                       | Original Budget | Final Budget  | Actual        | Variance with Final Budget Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 9,785,470    | \$ 9,785,470  | \$ 9,785,470  | \$ —   |
| Reversions                            | 157,331         | 157,331       | 157,331       | —  |
| Fund Balances, July 1, 2020, restated | 9,942,801       | 9,942,801     | 9,942,801     | —  |
| <b>REVENUES</b>                       |                 |               |               |  |
| Fees and charges                      | 1,334,776       | 1,296,476     | 1,364,822     | 68,346   |
| Licenses                              | 509,074         | 476,174       | 269,784       | (206,390)                                      |
| Taxes                                 | 40,938,671      | 40,426,323    | 41,367,950    | 941,627  |
| Miscellaneous                         | 66              | 66            | 1,166         | 1,100  |
| Interest                              | 255,613         | 329,931       | 251,551       | (78,380)                                       |
| Grants                                | 21,775          | 4,793,875     | 6,456,138     | 1,662,263                                      |
| Refunds                               | 23,361          | 24,106        | 480,007       | 455,901  |
| Transfers and distributions           | 3,437,414       | 5,519,072     | 4,158,275     | (1,360,797)                                    |
| Other                                 | 392,671         | 429,372       | 1,380,633     | 951,261  |
| Total Revenues                        | 46,913,421      | 53,295,395    | 55,730,326    | 2,434,931                                      |
| Total Available Resources             | 56,856,222      | 63,238,196    | 65,673,127    | 2,434,931                                      |
| <b>EXPENDITURES</b>                   |                 |               |               |  |
| Operating expenditures:               |                 |               |               |  |
| Salaries and benefits                 | 4,080,853       | 4,310,694     | 4,209,445     | 101,249  |
| Other personal services               | 64,552          | 73,994        | 63,173        | 10,821   |
| Expenses                              | 379,743         | 408,300       | 388,350       | 19,950   |
| Grants and aids                       | 16,561,782      | 16,578,494    | 16,566,427    | 12,067   |
| Operating capital outlay              | 15,908          | 16,621        | 12,907        | 3,714  |
| Food products                         | 67,483          | 66,740        | 64,644        | 2,096  |
| Fixed capital outlay                  | 119,333         | 119,333       | 119,333       | —  |
| Lump sum                              | 657,036         | 9,572         | 9,572         | —  |
| Special categories                    | 12,880,948      | 15,652,090    | 14,699,430    | 952,660  |
| Financial assistance payments         | 320,550         | 323,148       | 320,052       | 3,096  |
| Continuing Appropriations             | —               | 801,337       | 801,337       | —  |
| Grants/aids to local governments      | 245,711         | 245,711       | 245,711       | —  |
| Data processing services              | 56,439          | 65,391        | 55,818        | 9,573  |
| Pensions and benefits                 | 2,166           | 2,166         | 1,096         | 1,070  |
| Total Operating Expenditures          | 35,452,504      | 38,673,591    | 37,557,295    | 1,116,296                                      |
| Nonoperating expenditures:            |                 |               |               |  |
| Transfers                             | 6,706,682       | 6,706,682     | 6,706,682     | —  |
| Refunds                               | 824,945         | 824,945       | 824,945       | —  |
| Other                                 | 3,374,054       | 3,374,054     | 3,374,054     | —  |
| Total Nonoperating Expenditures       | 10,905,681      | 10,905,681    | 10,905,681    | —  |
| Total Expenditures                    | 46,358,185      | 49,579,272    | 48,462,976    | 1,116,296                                      |
| Fund Balances, June 30, 2021          | \$ 10,498,037   | \$ 13,658,924 | \$ 17,210,151 | \$ 3,551,227                                   |

The notes to required supplementary information are an integral part of this schedule.

**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL AND MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Natural Resources, Environment, and Growth Management |                 |              |  |
|---------------------------------------|---|-----------------|--------------|--|
|                                       | Original<br>Budget                                    | Final<br>Budget | Actual       | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 2,242,540  | \$ 2,242,540    | \$ 2,242,540 | \$ —   |
| Reversions                            | 4,138   | 4,138           | 4,138        | —  |
| Fund Balances, July 1, 2020, restated | 2,246,678   | 2,246,678       | 2,246,678    | —  |
| <b>REVENUES</b>                       |   |                 |              |  |
| Fees and charges                      | 127,083   | 204,747         | 152,223      | (52,524)   |
| Licenses                              | 41,330  | 51,105          | 59,672       | 8,567  |
| Taxes                                 | 4,735   | 280,683         | 289,318      | 8,635  |
| Miscellaneous                         | 170   | 435             | 343          | (92)   |
| Interest                              | 42,166  | 42,795          | 22,182       | (20,613)   |
| Grants                                | 484,459   | 243,171         | 265,967      | 22,796   |
| Refunds                               | 2,640   | 1,290           | 10,388       | 9,098  |
| Bond proceeds                         | 204   | —               | —            | —  |
| Transfers and distributions           | 1,714,699   | 2,031,255       | 2,071,680    | 40,425   |
| Other                                 | 175,409   | 15,254          | 238,472      | 223,218  |
| Total Revenues                        | 2,592,895   | 2,870,735       | 3,110,245    | 239,510  |
| Total Available Resources             | 4,839,573   | 5,117,413       | 5,356,923    | 239,510  |
| <b>EXPENDITURES</b>                   |   |                 |              |  |
| Operating expenditures:               |   |                 |              |  |
| Salaries and benefits                 | 355,649   | 361,916         | 346,794      | 15,122   |
| Other personal services               | 27,478  | 26,833          | 22,532       | 4,301  |
| Expenses                              | 59,980  | 59,397          | 52,479       | 6,918  |
| Grants and aids                       | 14,890  | 14,890          | 14,890       | —  |
| Operating capital outlay              | 2,142   | 1,705           | 1,382        | 323  |
| Fixed capital outlay                  | 522,087   | 522,087         | 522,087      | —  |
| Lump sum                              | 500   | —               | —            | —  |
| Special categories                    | 301,548   | 315,879         | 273,982      | 41,897   |
| Grants/aids to local governments      | 612,211   | 612,211         | 612,211      | —  |
| Data processing services              | 735   | 822             | 787          | 35   |
| Total Operating Expenditures          | 1,897,220   | 1,915,740       | 1,847,144    | 68,596   |
| Nonoperating expenditures:            |   |                 |              |  |
| Transfers                             | 452,590   | 452,590         | 452,590      | —  |
| Refunds                               | 10,269  | 10,269          | 10,269       | —  |
| Other                                 | 318,872   | 318,872         | 318,872      | —  |
| Total Nonoperating Expenditures       | 781,731   | 781,731         | 781,731      | —  |
| Total Expenditures                    | 2,678,951   | 2,697,471       | 2,628,875    | 68,596   |
| Fund Balances, June 30, 2021          | \$ 2,160,622  | \$ 2,419,942    | \$ 2,728,048 | \$ 308,106   |

The notes to required supplementary information are an integral part of this schedule.

**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL AND MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Public Education   |                 |              |  |
|---------------------------------------|--------------------|-----------------|--------------|--|
|                                       | Original<br>Budget | Final<br>Budget | Actual       | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 775,943         | \$ 775,943      | \$ 775,943   | \$ —   |
| Reversions                            | 9,150              | 9,150           | 9,150        | —  |
| Fund Balances, July 1, 2020, restated | 785,093            | 785,093         | 785,093      | —  |
| <b>REVENUES</b>                       |                    |                 |              |  |
| Fees and charges                      | 79,230             | 75,958          | 75,828       | (130)  |
| Licenses                              | 1,320              | 1,416           | 1,416        | —  |
| Taxes                                 | 780,968            | 639,101         | 640,970      | 1,869  |
| Miscellaneous                         | 609                | 29              | 7            | (22)   |
| Interest                              | 33,623             | 20,890          | 64           | (20,826)   |
| Grants                                | 2,707,011          | 3,935,483       | 3,960,851    | 25,368   |
| Refunds                               | 14,730             | 37,509          | 37,230       | (279)  |
| Bond proceeds                         | —                  | —               | —            | —  |
| Transfers and distributions           | 2,894,366          | 3,282,047       | 3,418,027    | 135,980  |
| Other                                 | 199,540            | 214,535         | 335,184      | 120,649  |
| Total Revenues                        | 6,711,397          | 8,206,968       | 8,469,577    | 262,609  |
| Total Available Resources             | 7,496,490          | 8,992,061       | 9,254,670    | 262,609  |
| <b>EXPENDITURES</b>                   |                    |                 |              |  |
| Operating expenditures:               |                    |                 |              |  |
| Salaries and benefits                 | 37,572             | 39,252          | 31,963       | 7,289  |
| Other personal services               | 970                | 971             | 277          | 694  |
| Expenses                              | 6,848              | 6,598           | 3,334        | 3,264  |
| Grants and aids                       | 3,591,697          | 3,642,535       | 3,591,697    | 50,838   |
| Operating capital outlay              | 489                | 489             | 8            | 481  |
| Fixed capital outlay                  | 1,485,229          | 1,485,229       | 1,485,229    | —  |
| Special categories                    | 1,549,831          | 3,183,510       | 2,659,991    | 523,519  |
| Financial assistance payments         | 72,595             | 72,595          | 72,564       | 31   |
| Payments to U.S. Treasury             | 4,920              | 3,686           | 3,686        | —  |
| Data processing services              | 9,183              | 9,289           | 7,299        | 1,990  |
| Total Operating Expenditures          | 6,759,334          | 8,444,154       | 7,856,048    | 588,106  |
| Nonoperating expenditures:            |                    |                 |              |  |
| Transfers                             | 196,806            | 196,806         | 196,806      | —  |
| Refunds                               | 2,012              | 2,012           | 2,012        | —  |
| Other                                 | 7,762              | 7,762           | 7,762        | —  |
| Total Nonoperating Expenditures       | 206,580            | 206,580         | 206,580      | —  |
| Total Expenditures                    | 6,965,914          | 8,650,734       | 8,062,628    | 588,106  |
| Fund Balances, June 30, 2021          | \$ 530,576         | \$ 341,327      | \$ 1,192,042 | \$ 850,715   |

The notes to required supplementary information are an integral part of this schedule.

**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL AND MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Health and Family Services |                 |              |  |
|---------------------------------------|----------------------------|-----------------|--------------|--|
|                                       | Original<br>Budget         | Final<br>Budget | Actual       | Variance with Final<br>Budget Positive<br>(Negative) |
| Fund Balances, July 1, 2020           | \$ 680,943                 | \$ 680,943      | \$ 680,943   | \$ —   |
| Reversions                            | 247,366                    | 247,366         | 247,366      | —  |
| Fund Balances, July 1, 2020, restated | 928,309                    | 928,309         | 928,309      | —  |
| <b>REVENUES</b>                       |                            |                 |              |  |
| Fees and charges                      | 1,767,589                  | 1,895,668       | 1,333,712    | (561,956)  |
| Licenses                              | 22,832                     | 22,934          | 21,604       | (1,330)  |
| Taxes                                 | 716,715                    | 716,715         | 761,405      | 44,690   |
| Interest                              | 3,844                      | 2,207           | 8,411        | 6,204  |
| Grants                                | 22,600,954                 | 23,562,602      | 24,330,403   | 767,801  |
| Refunds                               | 2,325,625                  | 2,284,813       | 2,496,517    | 211,704  |
| Bond proceeds                         | —                          | —               | —            | —  |
| Transfers and distributions           | 3,375,883                  | 3,930,176       | 3,436,955    | (493,221)  |
| Other                                 | 34,258                     | 38,775          | 45,934       | 7,159  |
| Total Revenues                        | 30,847,700                 | 32,453,890      | 32,434,941   | (18,949)   |
| Total Available Resources             | 31,776,009                 | 33,382,199      | 33,363,250   | (18,949)   |
| <b>EXPENDITURES</b>                   |                            |                 |              |  |
| Operating expenditures:               |                            |                 |              |  |
| Salaries and benefits                 | 1,320,104                  | 1,374,400       | 1,218,349    | 156,051  |
| Other personal services               | 121,421                    | 123,312         | 83,582       | 39,730   |
| Expenses                              | 286,729                    | 287,247         | 221,162      | 66,085   |
| Grants and aids                       | 122,087                    | 144,854         | 135,473      | 9,381  |
| Operating capital outlay              | 15,910                     | 16,005          | 4,498        | 11,507   |
| Food products                         | 1,110                      | 1,096           | 871          | 225  |
| Fixed capital outlay                  | 6,660                      | 6,660           | 6,660        | —  |
| Lump sum                              | 74,852                     | —               | —            | —  |
| Special categories                    | 24,488,220                 | 28,654,777      | 27,788,439   | 866,338  |
| Financial assistance payments         | 30,390                     | 30,390          | 10,404       | 19,986   |
| Grants/aids to local governments      | 2,402                      | 2,402           | 2,402        | —  |
| Data processing services              | 21,386                     | 22,019          | 21,701       | 318  |
| Claim bills and relief acts           | —                          | —               | —            | —  |
| Total Operating Expenditures          | 26,491,271                 | 30,663,162      | 29,493,541   | 1,169,621  |
| Nonoperating expenditures:            |                            |                 |              |  |
| Continuing Appropriations             | 45,903                     | 45,903          | 45,903       | —  |
| Transfers                             | 2,093,782                  | 2,093,782       | 2,093,782    | —  |
| Refunds                               | 22,650                     | 22,650          | 22,650       | —  |
| Other                                 | 330,491                    | 330,491         | 330,491      | —  |
| Total Nonoperating Expenditures       | 2,492,826                  | 2,492,826       | 2,492,826    | —  |
| Total Expenditures                    | 28,984,097                 | 33,155,988      | 31,986,367   | 1,169,621  |
| Fund Balances, June 30, 2021          | \$ 2,791,912               | \$ 226,211      | \$ 1,376,883 | \$ 1,150,672   |

The notes to required supplementary information are an integral part of this schedule.

**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL AND MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Transportation     |                 |            | Variance with Final<br>Budget Positive<br>(Negative) |
|---------------------------------------|--------------------|-----------------|------------|--|
|                                       | Original<br>Budget | Final<br>Budget | Actual     |  |
| Fund Balances, July 1, 2020           | \$ 283,015         | \$ 283,015      | \$ 283,015 | \$ —   |
| Reversions                            | 8,856              | 8,856           | 8,856      | —  |
| Fund Balances, July 1, 2020, restated | 291,871            | 291,871         | 291,871    | —  |
| <b>REVENUES</b>                       |                    |                 |            |  |
| Fees and charges                      | 115,069            | 129,013         | 115,069    | (13,944)   |
| Taxes                                 | 2,891,035          | 2,834,999       | 2,891,035  | 56,036   |
| Miscellaneous                         | 1,051,631          | —               | —          | —  |
| Interest                              | 969                | 969             | 1,975      | 1,006  |
| Grants                                | —                  | —               | —          | —  |
| Refunds                               | 3,574              | 106             | 3,995      | 3,889  |
| Bond proceeds                         | 180,400            | —               | 200,000    | 200,000  |
| Transfers and distributions           | 449,875            | 630,275         | 396,269    | (234,006)  |
| Other                                 | 13,599             | 20,394          | 26,497     | 6,103  |
| Total Revenues                        | 4,706,152          | 3,615,756       | 3,634,840  | 19,084   |
| Total Available Resources             | 4,998,023          | 3,907,627       | 3,926,711  | 19,084   |
| <b>EXPENDITURES</b>                   |                    |                 |            |  |
| Operating expenditures:               |                    |                 |            |  |
| Salaries and benefits                 | 4,288              | 4,456           | 4,017      | 439  |
| Other personal services               | 68                 | 74              | 19         | 55   |
| Expenses                              | 1,171              | 752             | 651        | 101  |
| Operating capital outlay              | 5                  | 5               | —          | 5  |
| Fixed capital outlay                  | 361,757            | 361,757         | 361,757    | —  |
| Special categories                    | 71,570             | 72,723          | 66,374     | 6,349  |
| Total Operating Expenditures          | 438,859            | 439,767         | 432,818    | 6,949  |
| Nonoperating expenditures:            |                    |                 |            |  |
| Transfers                             | 218,434            | 218,434         | 218,434    | —  |
| Refunds                               | 58,823             | 58,823          | 58,823     | —  |
| Other                                 | 2,869,531          | 2,869,531       | 2,869,531  | —  |
| Total Nonoperating Expenditures       | 3,146,788          | 3,146,788       | 3,146,788  | —  |
| Total Expenditures                    | 3,585,647          | 3,586,555       | 3,579,606  | 6,949  |
| Fund Balances, June 30, 2021          | \$ 1,412,376       | \$ 321,072      | \$ 347,105 | \$ 26,033  |

The notes to required supplementary information are an integral part of this schedule.

**BUDGET TO GAAP RECONCILIATION  
GENERAL AND MAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | General<br>Fund      | Natural<br>Resources,<br>Environment,<br>and Growth<br>Management | Public<br>Education | Health and<br>Family<br>Services | Transportation      |
|---|----------------------|---|---------------------|----------------------------------|---------------------|
| Budgetary basis fund balances                                   | \$ 17,210,151        | \$ 2,728,048  | \$ 1,192,042        | \$ 1,376,883                     | \$ 347,105          |
| Items not included in budgetary basis fund balances:            |                      |   |                     |                                  |                     |
| Security lending investments within the State Treasury          | 1,602,305            | 64,070  | 43,879              | 2,898                            | 93,881              |
| Fair value adjustments to investments within the State Treasury | (445,107)            | (21,210)  | (14,526)            | (959)                            | (31,079)            |
| Special investments within the State Treasury                   | 20,723               | —   | —                   | 21,663                           | —                   |
| Non-State Treasury cash and investments                         | 1,351,758            | 4,850   | —                   | 74,240                           | 1,519,570           |
| Adjustment for State Transportation Trust Fund elimination      | —                    | —   | —                   | —                                | 609,582             |
| Adjusted budgetary basis fund balances                          | 19,739,830           | 2,775,758   | 1,221,395           | 1,474,725                        | 2,539,059           |
| Adjustments (basis differences):                                |                      |   |                     |                                  |                     |
| Net receivables/(payables) not carried forward                  | (5,712,266)          | 1,830,716   | (1,075,671)         | 1,232,206                        | (436,274)           |
| Net deferred outflows/(inflows) of resources                    | (174,046)            | (1,318)   | —                   | (831,225)                        | (290,489)           |
| Inventories, prepaid items and deferred charges                 | 9,809                | 708   | —                   | 27,380                           | 8,230               |
| Encumbrances  | 340,771              | 47,170  | 1,002,791           | 147,495                          | 67,829              |
| GAAP basis fund balances  | <u>\$ 14,204,098</u> | <u>\$ 4,653,034</u>   | <u>\$ 1,148,515</u> | <u>\$ 2,050,581</u>              | <u>\$ 1,888,355</u> |

The notes to required supplementary information are an integral part of this schedule.



## OTHER REQUIRED SUPPLEMENTARY INFORMATION

### BUDGETARY REPORTING

#### **Budget Process**

Chapter 216, Florida Statutes (F.S.), promulgates the process used to develop the budget for the State of Florida. Each year, the head of each state agency and the Chief Justice of the Supreme Court for the Judicial Branch submit a final annual legislative budget request to the Governor and Legislature by October 15 as required in Section 216.023(1), F.S. Then, at least 30 days before the scheduled annual legislative session in each year, the Governor, as Chief Budget Officer, submits his recommended budget to each legislator.

The Governor also provides estimates of revenues sufficient to fund the recommended appropriations. Revenue estimates for the General Fund and selected trust funds are made by the Revenue Estimating Conference. This group includes members of the Executive and Legislative branches with forecasting experience who develop official information regarding anticipated state and local government revenues as needed for the state budgeting process. Revenue estimates for trust funds not projected by the Revenue Estimating Conference (consisting mainly of special revenue funds) are provided by state agencies. These estimates may be revised during the course of the Legislature's consideration and adoption of a final budget. These estimates, together with known available cash balances, are further considered by the Governor and the Chief Justice of the Florida Supreme Court during the preparation of annual release (spending) plans. Further adjustments to the original budget's trust fund revenue estimates may be made to conform agency revenue estimates to actual and projected revenue streams.

The Governor's recommended budget is considered and amended by the Legislature and a final appropriations bill is then approved by the Legislature (subject to the line-item veto power of the Governor and override authority of the Legislature); this bill then becomes the General Appropriations Act. The Governor and the Chief Justice of the Supreme Court may, under certain conditions and subject to the review and objection procedures set forth in Section 216.177, F.S., establish appropriations and corresponding releases for amounts not appropriated by the Legislature to agencies and the Judicial Branch, respectively. This includes appropriations for non-operating disbursements, such as the purchase of investments and the transfer of money between state funds.

If circumstances warrant, the head of a department or the Chief Justice of the Supreme Court may transfer appropriations (other than fixed capital outlay appropriations) but only to the extent of 5 percent of the original appropriation or \$250,000, whichever is greater, or within certain programs and between identical funding sources and specific appropriation categories. Transfers of general revenue appropriations in excess of 5 percent or \$250,000, whichever is greater, or for fixed capital outlay, or for transfers of general revenue appropriations not allowed within the departments' program flexibility may be approved by the Legislative Budget Commission. The Governor and the Chief Justice of the Supreme Court may approve changes of expenditure authority within any trust fund for agencies and the Judicial Branch, respectively, if the changes are less than \$1 million. The Legislative Budget Commission may approve trust fund changes in excess of \$1 million. At the end of the fiscal year, any balance of an operating appropriation which has not been disbursed but is expended (recorded as a payable) or contracted to be expended (recorded as a reserve for encumbrances in governmental fund types), may be carried forward into the next fiscal year. If these appropriations, however, have not been disbursed by September 30 they will revert pursuant to Section 216.301(1), F.S.

The Chief Financial Officer approves disbursements in accordance with legislative authorizations. The budget is controlled at the account code level, which is defined as an appropriation category (e.g., salaries and benefits), and funded within a budget entity. The Governor and the Chief Financial Officer are responsible for detecting conditions which could lead to a deficit in any agency's funds and reporting that fact to the Legislative Budget Commission and the Chief Justice of the Supreme Court. The Constitution of the State, Article VII, Section 1(d), states, "Provision shall be made by law for raising sufficient revenue to defray the expenses of the state for each fiscal period."

**Budgetary Basis of Accounting**

The budgetary basis of accounting required by state law differs materially from the basis used to report revenues and expenditures in accordance with generally accepted accounting principles (GAAP). Appropriations are made from funds that are prescribed by law. These legal basis fund types (known as state funds) are the General Revenue Fund, numerous trust funds, and the Budget Stabilization Fund. Certain moneys maintained outside of the State Treasury, known as local funds, are available to agencies for their operations. Because the funds are located in banks outside of the State Treasury, budgetary authority and the disbursement of these funds are not controlled by the Chief Financial Officer. For example, the State Board of Administration operates from such funds.

The state presents budgetary comparison schedules for the General Fund and major special revenue funds as part of the other required supplementary information. In addition, budgetary comparison schedules for non-major special revenue funds which have legally adopted annual budgets are presented with other combining and individual fund statements and schedules.

Budgetary basis revenues are essentially reported on a cash basis and include amounts classified by GAAP as other financing sources. Budgetary basis expenditures include disbursements, except those for prior year carry/certified forwards, plus current year payables and encumbrances which are carried/certified forward into the next fiscal year. They also include amounts classified by GAAP as other financing uses. State law requires prior year payables and encumbrances not carried/certified forward to be paid from the current year budget. The Lump Sum expenditure category presented in the budgetary comparison schedules is used as a budgetary tool to track moneys appropriated to a particular fund until subsequent allocations are made to other expenditure categories.

The presentation of budgetary comparison information for the major governmental fund for transportation excludes the State Transportation Trust Fund within the Department of Transportation because it accounts for projects of a multi-year nature, and comparison of actual annual expenditures to a multi-year appropriated amount is not meaningful. Appropriations are made in total the first year of a project even though they are released and expended over the period of construction for a project. For the fiscal year ended June 30, 2021, State Transportation Trust fund revenues and expenditures totaled \$2.54 billion and \$6.93 billion, respectively, with \$4.66 billion of net other financing sources.

**Budget to GAAP Reconciliation**

The budgetary comparison schedules for the General Fund and the major special revenue funds present comparisons of the original budget and final budget with actual revenues and expenditures on a budgetary basis. A budget to GAAP reconciliation is presented following the budgetary comparison schedules because accounting principles for budgetary basis differ significantly from those used to present financial statements in conformity with GAAP.

**OTHER REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 FLORIDA RETIREMENT SYSTEM  
 LAST 10 FISCAL YEARS\*  
 (in thousands)

|   | 2014           | 2015           | 2016           | 2017           | 2018           |
|---|----------------|----------------|----------------|----------------|----------------|
| Proportion of the net pension liability   | 17.802202632 % | 17.961696240 % | 18.150587866 % | 17.591496280 % | 17.733845390 % |
| Proportionate share of the net pension liability                                  | \$ 1,086,196   | \$ 2,319,994   | \$ 4,583,038   | \$ 5,203,447   | \$ 5,341,526   |
| Covered payroll   | \$ 4,538,946   | \$ 4,591,628   | \$ 4,596,099   | \$ 4,621,442   | \$ 4,791,286   |
| Proportionate share of the net pension liability as percentage of covered payroll | 23.93 %        | 50.53 %        | 99.72 %        | 112.59 %       | 111.48 %       |
| Plan fiduciary net position as a percentage of the total pension liability        | 96.09 %        | 92.00 %        | 84.88 %        | 83.89 %        | 84.26 %        |

## Notes to Schedule:

Changes in actuarial assumptions: The long-term expected rate of return was decreased from 6.90% to 6.80%.

\* Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore, information was not available for a full 10-year presentation.

SCHEDULE OF STATE CONTRIBUTIONS TO PENSION PLAN  
 FLORIDA RETIREMENT SYSTEM  
 LAST 10 FISCAL YEARS\*  
 (in thousands)

|   | 2015         | 2016         | 2017         | 2018         | 2019         |
|---|--------------|--------------|--------------|--------------|--------------|
| Statutorily required contributions                                      | \$ 437,921   | \$ 442,631   | \$ 457,950   | \$ 505,400   | \$ 543,395   |
| Contributions recognized by the plan                                    | 437,921      | 442,631      | 457,950      | 505,400      | 543,395      |
| Contribution deficiency (excess)  | \$ —         | \$ —         | \$ —         | \$ —         | \$ —         |
| Covered payroll   | \$ 4,591,628 | \$ 4,596,099 | \$ 4,621,442 | \$ 4,791,286 | \$ 4,829,858 |
| Contributions recognized by the plan as a percentage of covered payroll | 9.54 %       | 9.63 %       | 9.91 %       | 10.55 %      | 11.25 %      |

\* Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore, information was not available for a full 10-year presentation.

| <u>2019</u>    | <u>2020</u>    |
|----------------|----------------|
| 17.524776601 % | 16.981903225 % |
| \$ 6,035,289   | \$ 7,360,207   |
| \$ 4,829,858   | \$ 4,826,392   |
| 124.96 %       | 152.50 %       |
| 82.61 %        | 78.85 %        |

| <u>2020</u>  | <u>2021</u>  |
|--------------|--------------|
| \$ 564,233   | \$ 617,286   |
| 564,233      | 617,286      |
| <u>\$ —</u>  | <u>\$ —</u>  |
| \$ 4,826,392 | \$ 4,867,575 |
| 11.69 %      | 12.68 %      |

## OTHER REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 RETIREE HEALTH INSURANCE SUBSIDY PROGRAM  
 LAST 10 FISCAL YEARS\*  
 (in thousands)

|   | 2014          | 2015           | 2016           | 2017           | 2018           |
|---|---------------|----------------|----------------|----------------|----------------|
| Proportion of the net pension liability   | 15.286183318% | 15.144426318 % | 14.878355474 % | 14.470956524 % | 14.641028104 % |
| Proportionate share of the net pension liability                                  | \$ 1,429,295  | \$ 1,544,493   | \$ 1,734,011   | \$ 1,547,301   | \$ 1,549,623   |
| Covered payroll   | \$ 4,534,435  | \$ 4,588,003   | \$ 4,593,175   | \$ 4,619,123   | \$ 4,789,207   |
| Proportionate share of the net pension liability as percentage of covered payroll | 31.52 %       | 33.66 %        | 37.75 %        | 33.50 %        | 32.36 %        |
| Plan fiduciary net position as a percentage of the total pension liability        | 0.99 %        | 0.50 %         | 0.97 %         | 1.64 %         | 2.15 %         |

## Notes to Schedule:

Changes in actuarial assumptions: The municipal bond rate used to determine total pension liability was decreased from 3.50% to 2.21%.

\* Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore, information was not available for a full 10-year presentation.

SCHEDULE OF STATE CONTRIBUTIONS TO PENSION PLAN  
 RETIREE HEALTH INSURANCE SUBSIDY PROGRAM  
 LAST 10 FISCAL YEARS\*  
 (in thousands)

|   | 2015         | 2016         | 2017         | 2018         | 2019         |
|---|--------------|--------------|--------------|--------------|--------------|
| Statutorily required contributions                                      | \$ 57,891    | \$ 76,261    | \$ 76,584    | \$ 79,399    | \$ 80,051    |
| Contributions recognized by the plan                                    | 57,891       | 76,261       | 76,584       | 79,399       | 80,051       |
| Contribution deficiency (excess)  | <u>\$ —</u>  | <u>\$ —</u>  | <u>\$ —</u>  | <u>\$ —</u>  | <u>\$ —</u>  |
| Covered payroll   | \$ 4,588,003 | \$ 4,593,175 | \$ 4,619,123 | \$ 4,789,207 | \$ 4,828,290 |
| Contributions recognized by the plan as a percentage of covered payroll | 1.26 %       | 1.66 %       | 1.66 %       | 1.66 %       | 1.66 %       |

\* Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore, information was not available for a full 10-year presentation.

| 2019           | 2020           |
|----------------|----------------|
| 14.416053158 % | 13.868337484 % |
| \$ 1,613,012   | \$ 1,693,301   |
| \$ 4,828,290   | \$ 4,826,392   |
| 33.41 %        | 35.08 %        |
| 2.63 %         | 3.00 %         |

| 2020         | 2021         |
|--------------|--------------|
| \$ 79,917    | \$ 80,597    |
| 79,917       | 80,597       |
| —            | —            |
| \$ 4,826,392 | \$ 4,866,392 |
| 1.66 %       | 1.66 %       |

## OTHER REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
FLORIDA NATIONAL GUARD SUPPLEMENTAL RETIREMENT BENEFIT PLAN  
LAST 10 FISCAL YEARS\*

|  | (in thousands)   |                  |                  |                  |                  |                  |                    |
|--|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|  | 2014             | 2015             | 2016             | 2017             | 2018             | 2019             | 2020               |
| <u>Total Pension liability</u>                               |                  |                  |                  |                  |                  |                  |                    |
| Service cost   | \$ 5,979         | \$ 7,161         | \$ 9,044         | \$ 12,904        | \$ 9,925         | \$ 11,581        | \$ 13,967          |
| Interest on total pension liability                          | 18,852           | 19,164           | 19,259           | 19,100           | 21,080           | 28,506           | 28,874             |
| Effect of plan changes                                       | —                | —                | —                | —                | —                | —                | —                  |
| Effect of economic/demographic (gains) or losses             | —                | —                | 27,462           | —                | 39,056           | —                | 24,815             |
| Effects of assumption changes or inputs                      | 27,926           | 46,330           | 118,280          | (95,586)         | 90,988           | 60,964           | 271,102            |
| Benefit payments   | (14,366)         | (14,423)         | (14,413)         | (14,677)         | (14,897)         | (14,999)         | (15,121)           |
| Net changes in total pension liability                       | 38,391           | 58,232           | 159,632          | (78,259)         | 146,152          | 86,052           | 323,637            |
| Total pension liability, beginning                           | 408,292          | 446,683          | 504,915          | 664,547          | 586,288          | 732,441          | 818,493            |
| Total pension liability, ending                              | <u>\$446,683</u> | <u>\$504,915</u> | <u>\$664,547</u> | <u>\$586,288</u> | <u>\$732,440</u> | <u>\$818,493</u> | <u>\$1,142,130</u> |
| <u>Fiduciary Net Position</u>                                |                  |                  |                  |                  |                  |                  |                    |
| Employer contributions                                       | \$ 14,366        | \$ 14,495        | \$ 14,423        | \$ 14,720        | \$ 14,905        | \$ 15,044        | \$ 15,129          |
| Member contributions   | —                | —                | —                | —                | —                | —                | —                  |
| Investment income net of investment expenses                 | —                | —                | —                | —                | —                | —                | —                  |
| Benefit payments   | (14,366)         | (14,423)         | (14,413)         | (14,677)         | (14,897)         | (14,999)         | (15,121)           |
| Administrative expenses                                      | —                | (72)             | (10)             | (43)             | (8)              | (45)             | (8)                |
| Net change in fiduciary position                             | —                | —                | —                | —                | —                | —                | —                  |
| Fiduciary net position-beginning                             | —                | —                | —                | —                | —                | —                | —                  |
| Fiduciary net position-ending                                | <u>\$ —</u>      | <u>\$ —</u>      | <u>\$ —</u>      | <u>\$ —</u>      | <u>\$ —</u>      | <u>\$ —</u>      | <u>\$ —</u>        |
| Net pension liability-ending                                 | <u>\$446,683</u> | <u>\$504,915</u> | <u>\$664,547</u> | <u>\$586,288</u> | <u>\$732,440</u> | <u>\$818,493</u> | <u>\$1,142,130</u> |
| Fiduciary net position as a % of the total pension liability | 0.00 %           | 0.00 %           | 0.00 %           | 0.00 %           | 0.00 %           | 0.00 %           | 0.00 %             |
| Covered payroll  | \$466,939        | \$476,278        | \$477,549        | \$487,100        | \$485,666        | \$495,379        | \$508,895          |
| Net pension liability as a % of covered-payroll              | 95.66 %          | 106.01 %         | 139.16 %         | 120.36 %         | 150.81 %         | 165.23 %         | 224.43 %           |

Notes to Schedule:

Changes of assumptions or input: The municipal bond rate used to determine total pension liability decreased from 2.21% to 2.16%.

\* Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore, information was not available for a full 10-year presentation.

SCHEDULE OF STATE CONTRIBUTIONS TO PENSION PLAN  
FLORIDA NATIONAL GUARD SUPPLEMENTAL RETIREMENT BENEFIT PLAN  
LAST 10 FISCAL YEARS\*  
(in thousands)

|   | 2014        | 2015        | 2016        | 2017        | 2018        | 2019        | 2020        |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Statutorily required State contribution                   | \$ 14,366   | \$ 14,495   | \$ 14,423   | \$ 14,720   | \$ 14,905   | \$ 15,044   | \$ 15,129   |
| Contributions recognized by the plan                      | 14,366      | 14,495      | 14,423      | 14,720      | 14,905      | 15,044      | 15,129      |
| Contribution deficiency (excess)                          | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> |
| Covered payroll   | \$466,939   | \$476,278   | \$477,549   | \$487,100   | \$485,666   | \$495,379   | \$508,895   |
| Contributions as a percentage of covered-employee payroll | 3.08 %      | 3.04 %      | 3.02 %      | 3.02 %      | 3.07 %      | 3.04 %      | 2.97 %      |

\* Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore, information was not available for a full 10-year presentation.

2021

---

\$ 24,859  
 25,620  
 —  
 —  
 13,673  
 (15,505)

---

48,647  
 1,142,130

---

\$1,190,777

\$ 15,551  
 —  
 —  
 (15,505)  
 (46)

---

—  
 —

---

\$ —  
\$1,190,777

0.00 %  
 \$ 519,073  
 229.40 %

2021

---

\$ 15,551  
 15,551

---

\$ —  
\$519,073

3.00 %



## OTHER REQUIRED SUPPLEMENTARY INFORMATION

## SCHEDULE OF CHANGES IN OTHER POSTEMPLOYMENT BENEFITS LIABILITY

LAST 10 FISCAL YEARS\*

(in thousands)

|  | 2017                 | 2018                 | 2019                 |
|--|----------------------|----------------------|----------------------|
| <u>Total OPEB Liability</u>                                      |                      |                      |                      |
| Service cost   | \$ 558,284           | \$ 450,512           | \$ 451,019           |
| Interest   | 350,228              | 399,969              | 407,091              |
| Changes of Benefit Terms   | —                    | —                    | —                    |
| Difference between expected and actual experience                | —                    | —                    | (372,451)            |
| Changes of assumptions or other inputs                           | (1,746,361)          | (931,395)            | 1,813,838            |
| Benefit payments   | (162,902)            | (178,619)            | (192,800)            |
| Other changes  | —                    | —                    | —                    |
| Net Changes in Total OPEB Liability                              | (1,000,751)          | (259,533)            | 2,106,697            |
| <br>   |                      |                      |                      |
| Total OPEB Liability - Beginning                                 | 11,811,836           | 10,811,085           | 10,551,552           |
| Total OPEB Liability - Ending                                    | <u>\$ 10,811,085</u> | <u>\$ 10,551,552</u> | <u>\$ 12,658,249</u> |
| <br>   |                      |                      |                      |
| Covered-employee payroll <sup>1</sup>                            | \$ 7,312,085         | \$ 7,636,518         | \$ 7,644,191         |
| Total OPEB liability as a percentage of covered-employee payroll | 147.85 %             | 138.17 %             | 165.59 %             |

\*The State of Florida implemented GASB Statement No. 75 in Fiscal Year 2018; therefore, 10-year presentation is not available.

<sup>1</sup> For fiscal years 2017, 2018 and 2019, errors noted in the selection criteria for covered-employee payroll data previously presented for compliance with GASB 75 were noted and corrected.

**Note to Required Supplementary Information**

The Division of State Group Insurance's Other Postemployment Benefits Plan (OPEB) does not have assets accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75 to pay related benefits.

Potential factors that may significantly decrease/increase State's total OPEB liability reported as of June 30, 2020, include discount rate, inflation rate, salary increases, payroll growth, healthcare inflation, retiree contribution increase rate, medical aging factors, healthcare participation, healthcare cost trends, mortality rates, and other demographic assumptions.

An update to the mortality rate tables used and the repeal of the excise ("Cadillac") tax resulted in the significant decrease in OPEB liability for 2020. Other factors such as claims cost and premium rates, medical trend rates, and a change in active medical plan electives resulted in a slight decrease in OPEB liabilities.

|    |                          |
|----|--------------------------|
|    | <u>2020</u>              |
| \$ | 657,518                  |
|    | 358,795                  |
|    | —                        |
|    | (375,527)                |
|    | (2,845,296)              |
|    | (163,694)                |
|    | —                        |
|    | <u>(2,368,204)</u>       |
|    | 12,658,249               |
| \$ | <u><u>10,290,045</u></u> |
| \$ | 8,072,906                |
|    | 127.46 %                 |

## OTHER REQUIRED SUPPLEMENTARY INFORMATION

### INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

Pursuant to GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the state has adopted an alternative process to record depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the state expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 12,120 centerline miles of roads and 7,095 bridges that the state is responsible for maintaining.

In order to utilize the modified approach, the state is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the state.
- Document that the assets are being preserved approximately at, or above, the established condition level.

#### Condition and Maintenance Programs

**Resurfacing Program:** Road pavements require periodic resurfacing. The frequency of resurfacing depends on the volume of traffic, type of traffic, pavement material variability, and weather conditions. Resurfacing preserves the structural integrity of highway pavements and includes pavement resurfacing, pavement rehabilitation, and minor reconstruction.

The Florida Department of Transportation (FDOT) conducts an annual Pavement Condition Survey. Pavements are rated on a scale of 0 to 10 (with 10 being the best) in each of three criteria: ride smoothness, pavement cracking, and wheel path rutting. Ride smoothness is what the motorist experiences. It directly affects motor vehicle operation costs. Pavement cracking refers to the structural deterioration of the pavement, which leads to loss of smoothness and deterioration of the road base by water seepage if not corrected. Wheel path rutting refers to depressions in pavement caused by heavy use. Ride smoothness and wheel path rutting are measured mechanically using lasers. Pavement cracking is determined through visual observation by experienced survey crews.

The condition rating scales were set by a statewide committee of pavement engineers, so that a pavement segment receiving a rating of six or less in any of the three rating criteria is designated a deficient pavement segment. In low-speed areas, the ride rating must drop to five or less before a pavement segment is considered deficient due to ride.

The FDOT standard is to ensure that 80% of the pavement on the State Highway System remains non-deficient.

**Bridge Repair/Replacement Program:** The FDOT Bridge Repair Program places primary emphasis on periodic maintenance and specified rehabilitation work activities on State Highway System bridge structures. The FDOT Bridge Replacement Program's primary focus is on the replacement of structurally deficient or weight restricted bridges on the State Highway System. In addition, the Bridge Replacement Program addresses bridges that require structural repair, but which are more cost effective to replace.

The FDOT conducts bridge condition surveys using the National Bridge Inspection Standards to determine condition ratings. Each bridge is inspected at least once every two years. During the inspection process, the major components such as deck, superstructure, and substructure are assigned a condition rating. The condition rating ranges from 0 to 9. By FDOT policy, a rating of 8 to 9 is excellent. A rating of 6 to 7 is good. A rating of 5 indicates fair condition. A rating of 4 or less identifies bridges in poor condition requiring major repairs or replacement per FDOT policy. A rating of 2 indicates a critical bridge condition, and a rating of 1 indicates imminent bridge failure and is used for a bridge that is closed, but with corrective action may be put back into light service. A rating of 0 indicates that the bridge is out of service and beyond corrective action. Per FDOT policy, bridges rated fair or poor do not meet performance standards.

The FDOT standard is to ensure that 90% of all department maintained bridges do not need major repairs or replacement.

**Routine Maintenance Program:** The FDOT is responsible for managing and performing routine maintenance on the State Highway System to help preserve the condition of the system. Routine maintenance includes many activities, such as repairing highways, keeping up roadsides, responding to emergencies, maintaining signs, striping roadways, and keeping storm drains clear and structurally sound.

The quality and effectiveness of the routine maintenance program is monitored by periodic surveys, using the Maintenance Rating Program (MRP), which results in an annual assessment. The MRP has been used since 1985 to evaluate routine maintenance of the transportation system in five broad categories or elements. The five rating elements are roadway, roadside, vegetation/aesthetics, traffic services, and drainage. The MRP provides a maintenance rating of 0 to 100 for each category and overall.

The FDOT standard is to achieve and maintain an overall maintenance rating of 80.

**Condition Rating for the State Highway System**

Percentage of pavement meeting FDOT standards

|             |             |             |
|-------------|-------------|-------------|
| <u>2021</u> | <u>2020</u> | <u>2019</u> |
| 84%         | 87%         | 87%         |

Percentage of bridges meeting FDOT standards

|             |             |             |
|-------------|-------------|-------------|
| <u>2021</u> | <u>2020</u> | <u>2019</u> |
| 94%         | 95%         | 95%         |

**Maintenance Rating**

|             |             |             |
|-------------|-------------|-------------|
| <u>2021</u> | <u>2020</u> | <u>2019</u> |
| 83          | 83          | 83          |

**Comparison of Needed-to-Actual Maintenance Preservation  
(in millions)**

Resurfacing Program

|        |             |             |             |             |             |
|--------|-------------|-------------|-------------|-------------|-------------|
|        | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Needed | \$669.9     | \$ 535.0    | \$ 555.6    | \$ 590.4    | \$ 530.8    |
| Actual | 557.0       | 451.5       | 479.8       | 522.6       | 541.5       |

Bridge Repair/Replacement Program

|        |             |             |             |             |             |
|--------|-------------|-------------|-------------|-------------|-------------|
|        | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Needed | \$ 386.7    | \$ 980.8    | \$ 114.3    | \$ 239.6    | \$ 642.5    |
| Actual | 384.5       | 1,036.1     | 104.6       | 240.3       | 567.2       |

Routine Maintenance Program

|        |             |             |             |             |             |
|--------|-------------|-------------|-------------|-------------|-------------|
|        | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Needed | \$ 712.6    | \$ 694.6    | \$ 690.1    | \$ 655.0    | \$ 661.3    |
| Actual | 821.0       | 805.5       | 817.7       | 756.1       | 741.7       |

The FDOT determines its program needs based on a five-year plan. The needed amounts provided above are for estimated expenses and commitments relating to projects within the plan at the time of the budget request. The nature of a long-term plan is that it is continually changing. Projects are added, deleted, adjusted, or postponed. The differences between the needed and actual amounts above reflect these changes.

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**FINANCIAL  
SECTION:**

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND  
SCHEDULES**

**NONMAJOR FUNDS**

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Individual fund descriptions and financial statements begin on page 209.

### **CAPITAL PROJECTS FUNDS**

Individual fund descriptions and financial statements begin on page 237.

### **DEBT SERVICE FUNDS**

Individual fund descriptions and financial statements begin on page 241.

### **PERMANENT FUNDS**

Funds in this category include those administered by the Fish and Wildlife Conservation Commission, used to support fish and wildlife conservation programs of the State, in accordance with Section 379.207, Florida Statutes. The primary source of the principal of the funds includes proceeds of gifts, grants, contributions, and the sale of lifetime licenses. Also included in this category are various private scholarship funds administered by the Department of Education and used to pay scholarship awards as specified by the contributors. Only the interest income received and accrued from the investments of these funds can be used. No disbursement is made from the principal of the funds.



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**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | Special<br>Revenue<br>Funds | Capital<br>Projects<br>Funds | Debt<br>Service<br>Funds | Permanent<br>Funds | Totals<br>6/30/21 |
|---|-----------------------------|------------------------------|--------------------------|--------------------|-------------------|
| <b>ASSETS</b>   |                             |                              |                          |                    |                   |
| <u>Current assets</u>                                 |                             |                              |                          |                    |                   |
| Cash and cash equivalents                             | \$ 16,277                   | \$ —                         | \$ 2                     | \$ 843             | \$ 17,122         |
| Pooled investments with State Treasury                | 2,439,139                   | 190,537                      | —                        | 39,881             | 2,669,557         |
| Other investments                                     | 324,347                     | —                            | 32,258                   | 4,300              | 360,905           |
| Receivables, net                                      | 471,664                     | 162                          | 398                      | 4                  | 472,228           |
| Due from other funds                                  | 75,420                      | 55,174                       | —                        | —                  | 130,594           |
| Due from component units/primary                      | 50                          | —                            | —                        | —                  | 50                |
| Inventories   | 2,577                       | —                            | —                        | —                  | 2,577             |
| Other   | 230                         | —                            | —                        | —                  | 230               |
| Total current assets                                  | 3,329,704                   | 245,873                      | 32,658                   | 45,028             | 3,653,263         |
| <u>Noncurrent assets</u>                              |                             |                              |                          |                    |                   |
| Long-term investments                                 | 34,207                      | —                            | —                        | —                  | 34,207            |
| Other loans and notes receivable, net                 | 647,577                     | —                            | —                        | —                  | 647,577           |
| Total noncurrent assets                               | 681,784                     | —                            | —                        | —                  | 681,784           |
| Total assets  | 4,011,488                   | 245,873                      | 32,658                   | 45,028             | 4,335,047         |
| <b>LIABILITIES</b>                                    |                             |                              |                          |                    |                   |
| <u>Current liabilities</u>                            |                             |                              |                          |                    |                   |
| Accounts payable and accrued liabilities              | 358,169                     | 1,697                        | —                        | —                  | 359,866           |
| Due to other funds                                    | 250,632                     | 24                           | 44                       | 68                 | 250,768           |
| Due to component units/primary                        | 2,150                       | —                            | —                        | —                  | 2,150             |
| Compensated absences                                  | 893                         | —                            | —                        | —                  | 893               |
| Claims payable  | 19,526                      | —                            | —                        | —                  | 19,526            |
| Deposits  | 203,982                     | —                            | —                        | —                  | 203,982           |
| Obligations under security lending agreements         | 56,449                      | 8,791                        | —                        | 1,851              | 67,091            |
| Total current liabilities                             | 891,801                     | 10,512                       | 44                       | 1,919              | 904,276           |
| <u>Noncurrent liabilities</u>                         |                             |                              |                          |                    |                   |
| Advances from other funds                             | 951                         | —                            | —                        | —                  | 951               |
| Deposits  | 111                         | —                            | —                        | —                  | 111               |
| Total noncurrent liabilities                          | 1,062                       | —                            | —                        | —                  | 1,062             |
| Total liabilities                                     | 892,863                     | 10,512                       | 44                       | 1,919              | 905,338           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                  |                             |                              |                          |                    |                   |
| Unavailable revenue                                   | 342,745                     | —                            | —                        | —                  | 342,745           |
| Total deferred inflows of resources                   | 342,745                     | —                            | —                        | —                  | 342,745           |
| <b>FUND BALANCES</b>                                  |                             |                              |                          |                    |                   |
| Nonspendable  | 2,770                       | —                            | —                        | 4,028              | 6,798             |
| Restricted  | 1,319,688                   | 180,387                      | 32,614                   | 34,680             | 1,567,369         |
| Committed   | 1,453,422                   | 54,974                       | —                        | 4,401              | 1,512,797         |
| Total fund balances                                   | 2,775,880                   | 235,361                      | 32,614                   | 43,109             | 3,086,964         |
| Total liabilities, deferred inflows and fund balances | \$ 4,011,488                | \$ 245,873                   | \$ 32,658                | \$ 45,028          | \$ 4,335,047      |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Special<br>Revenue<br>Funds | Capital<br>Projects<br>Funds | Debt<br>Service<br>Funds | Permanent<br>Funds | Totals<br>6/30/21 |
|--|-----------------------------|------------------------------|--------------------------|--------------------|-------------------|
| <b>REVENUES</b>                                      |                             |                              |                          |                    |                   |
| Taxes  | \$ 260,144                  | \$ —                         | \$ —                     | \$ —               | \$ 260,144        |
| Licenses and permits                                 | 1,852,948                   | —                            | —                        | 3,898              | 1,856,846         |
| Fees and charges                                     | 724,143                     | —                            | 10,361                   | —                  | 734,504           |
| Grants and donations                                 | 5,733,151                   | —                            | —                        | —                  | 5,733,151         |
| Investment earnings (losses)                         | (8,827)                     | (3,276)                      | 117,421                  | (540)              | 104,778           |
| Fines, forfeits, settlements and judgments           | 547,235                     | —                            | —                        | —                  | 547,235           |
| Other  | 81,640                      | —                            | 259                      | —                  | 81,899            |
| Total revenues                                       | 9,190,434                   | (3,276)                      | 128,041                  | 3,358              | 9,318,557         |
| <b>EXPENDITURES</b>                                  |                             |                              |                          |                    |                   |
| Current:   |                             |                              |                          |                    |                   |
| General government                                   | 6,300,420                   | 52,489                       | 1,748                    | —                  | 6,354,657         |
| Education  | 188,780                     | 2,994                        | —                        | 133                | 191,907           |
| Human services                                       | 513,226                     | 2,645                        | —                        | —                  | 515,871           |
| Criminal justice and corrections                     | 503,669                     | 60,042                       | —                        | —                  | 563,711           |
| Natural resources and environment                    | 1,442,441                   | —                            | —                        | —                  | 1,442,441         |
| Transportation                                       | —                           | 160                          | —                        | —                  | 160               |
| Judicial branch                                      | 91,298                      | —                            | —                        | —                  | 91,298            |
| Capital outlay                                       | 55,389                      | 35,287                       | —                        | —                  | 90,676            |
| Debt service:  |                             |                              |                          |                    |                   |
| Principal retirement                                 | 286                         | —                            | 1,189,815                | —                  | 1,190,101         |
| Interest and fiscal charges                          | 25                          | —                            | 498,617                  | —                  | 498,642           |
| Total expenditures                                   | 9,095,534                   | 153,617                      | 1,690,180                | 133                | 10,939,464        |
| Excess (deficiency) of revenues<br>over expenditures | 94,900                      | (156,893)                    | (1,562,139)              | 3,225              | (1,620,907)       |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                             |                              |                          |                    |                   |
| Proceeds of bond issues                              | —                           | 188,109                      | 32,068                   | —                  | 220,177           |
| Proceeds of refunding bonds                          | —                           | —                            | 1,652,077                | —                  | 1,652,077         |
| Proceeds of financing agreements                     | 735                         | —                            | —                        | —                  | 735               |
| Operating transfers in                               | 2,914,059                   | 141,167                      | 1,574,018                | —                  | 4,629,244         |
| Operating transfers out                              | (2,772,698)                 | (88,093)                     | (48,612)                 | (619)              | (2,910,022)       |
| Payments to refunded bond agent                      | —                           | —                            | (1,652,077)              | —                  | (1,652,077)       |
| Total other financing sources (uses)                 | 142,096                     | 241,183                      | 1,557,474                | (619)              | 1,940,134         |
| Net change in fund balances                          | 236,996                     | 84,290                       | (4,665)                  | 2,606              | 319,227           |
| Fund balances - beginning, as restated               | 2,538,884                   | 151,071                      | 37,279                   | 40,503             | 2,767,737         |
| Fund balances - ending                               | \$ 2,775,880                | \$ 235,361                   | \$ 32,614                | \$ 43,109          | \$ 3,086,964      |

## NONMAJOR SPECIAL REVENUE FUNDS

### EMPLOYMENT SERVICES

This fund includes internal reporting funds used for employee-service related programs of an administrative nature (non risk-related), such as workers' compensation, employment security, and labor market statistics.

### GOVERNMENT ADMINISTRATION

This fund includes internal reporting special revenue funds primarily administered by the Department of State, Department of Management Services, and Department of Financial Services.

### BUSINESS AND COMMUNITY DEVELOPMENT

This fund includes internal reporting special revenue funds primarily administered by the Executive Office of the Governor and the Department of Economic Opportunity.

### REGULATION AND LICENSING

This fund includes internal reporting special revenue funds primarily administered by the Department of Business and Professional Regulation, Department of Highway Safety and Motor Vehicles, and Department of Financial Services.

### TOBACCO SETTLEMENT

This fund includes internal reporting special revenue funds established to account for the settlement of *State of Florida, et al., v. American Tobacco Company, et al.*, Case No. 95-1466 AH, filed in the Fifteenth Judicial Circuit, in and for Palm Beach County Florida.

### PUBLIC SAFETY

This fund includes internal reporting special revenue funds primarily administered by the Department of Law Enforcement, Department of Highway Safety and Motor Vehicles, Department of Legal Affairs, and Department of Military Affairs.

### CORRECTIONS

This fund includes internal reporting special revenue funds administered by the Department of Corrections.

### CONSUMER PROTECTION AND SAFETY

This fund includes internal reporting special revenue funds primarily administered by the Executive Office of the Governor, Department of Legal Affairs, Department of Revenue, and Department of Financial Services.

### AGRICULTURE

This fund includes internal reporting special revenue funds administered by the Department of Agriculture and Consumer Services.

### JUVENILE JUSTICE

This fund includes internal reporting special revenue funds administered by the Department of Juvenile Justice.

### JUDICIAL SERVICES

This fund includes internal reporting special revenue funds primarily administered by the Justice Administrative Commission and the State Courts System.

### MILITARY AND VETERANS' AFFAIRS

This fund includes internal reporting special revenue funds administered by the Department of Military Affairs and Department of Veterans' Affairs.

### BLENDED COMPONENT UNITS

**FLORIDA CLERKS OF COURT OPERATIONS CORPORATION**  
Pursuant to Section 28.35, Florida Statutes, this entity was created to recommend legislative changes in various court related fines, fees, service charges, and court costs, establish a process for reviewing and certification of proposed court-related budgets submitted by the clerks of court and establishing a system of uniform performance measures and standards for the clerks.

### FLORIDA CITRUS COMMISSION

As authorized in Section 601.04, Florida Statutes, this entity was established to primarily promote the general welfare of the Florida citrus industry.

### STATE BOARD OF ADMINISTRATION

This entity includes the following internal reporting special revenue funds administered by the State Board of Administration: Gas Tax Clearing Accounts and the Insurance Capital Build-up Program.

### FLORIDA SCHOOL FOR THE DEAF AND THE BLIND

As authorized in Section 1002.36, Florida Statutes, this entity is a State-supported residential school for hearing-impaired and visually impaired students in preschool through 12th grade.

### WIRELESS EMERGENCY TELEPHONE SYSTEM

As authorized in Section 365.172, Florida Statutes, this entity was established to promote a comprehensive statewide emergency telephone number system that will provide wireless telephone users with rapid direct access to public safety agencies.

### CAREERSOURCE FLORIDA, INC.

This not-for-profit entity was created pursuant to Section 445.004, Florida Statutes, as the principal workforce policy organization for the State and the regional workforce boards.

### FLORIDA WATER POLLUTION CONTROL FINANCING CORPORATION

Pursuant to Section 403.1837, Florida Statutes, this entity was created to finance the costs of water pollution control projects and activities described in Sections 403.1835 and 403.8532, Florida Statutes.

### INLAND PROTECTION FINANCING CORPORATION

Pursuant to Section 376.3075, Florida Statutes, this entity was created to finance the rehabilitation of petroleum contamination sites pursuant to Sections 376.30-376.317, Florida Statutes, and the payment, purchase and settlement of reimbursement obligations of the Department of Environmental Protection pursuant to Section 376.3071(12), Florida Statutes.

### FLORIDA SURPLUS LINES SERVICE OFFICE

Pursuant to Section 626.921, Florida Statutes, this entity was created to establish a system that would permit better access by consumers to approved unauthorized insurers.

### CORRECTIONS FOUNDATION, INC.

This entity was organized to initiate developmental projects; raise funds; request and receive grants, gifts, and bequests; acquire, receive, hold, invest and administer securities, funds, or other property as authorized by Section 944.802, Florida Statutes.

### SCRIPPS FLORIDA FUNDING CORPORATION

Pursuant to Section 288.955, Florida Statutes, this entity was created to facilitate the establishment and operation of a biomedical research institution for the purposes of enhancing education and research and promoting economic development and diversity.

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | Employment<br>Services | Government<br>Administration | Business and<br>Community<br>Development | Regulation and<br>Licensing |
|---|------------------------|------------------------------|--|-----------------------------|
| <b>ASSETS</b>   |                        |                              |  |                             |
| <u>Current assets</u>                                 |                        |                              |  |                             |
| Cash and cash equivalents                             | \$ 322                 | \$ —                         | \$ 126                                   | \$ 242                      |
| Pooled investments with State Treasury                | 302,388                | 87,776                       | 500,119                                  | 477,357                     |
| Other investments                                     | 8,351                  | —                            | —  | —                           |
| Receivables, net                                      | 60,471                 | 786                          | 156,609                                  | 60,830                      |
| Due from other funds                                  | 12,062                 | 376                          | 5,114                                    | 6,884                       |
| Due from component units/primary                      | —                      | —                            | 50                                       | —                           |
| Inventories   | —                      | —                            | —  | 194                         |
| Other   | —                      | —                            | —  | 27                          |
| Total current assets                                  | 383,594                | 88,938                       | 662,018                                  | 545,534                     |
| <u>Noncurrent assets</u>                              |                        |                              |  |                             |
| Long-term investments                                 | —                      | —                            | 4  | —                           |
| Other loans and notes receivable, net                 | 4,385                  | —                            | 27                                       | 2,460                       |
| Total noncurrent assets                               | 4,385                  | —                            | 31                                       | 2,460                       |
| Total assets  | 387,979                | 88,938                       | 662,049                                  | 547,994                     |
| <b>LIABILITIES</b>                                    |                        |                              |  |                             |
| <u>Current liabilities</u>                            |                        |                              |  |                             |
| Accounts payable and accrued liabilities              | 2,624                  | 2,881                        | 96,700                                   | 3,571                       |
| Due to other funds                                    | 5,695                  | 839                          | 56,847                                   | 163,705                     |
| Due to component units/primary                        | —                      | —                            | —  | —                           |
| Compensated absences                                  | 156                    | 42                           | 20                                       | 278                         |
| Claims payable  | 3,627                  | —                            | —  | —                           |
| Deposits  | 9,198                  | —                            | 22,189                                   | 159,304                     |
| Obligations under security lending agreements         | 12,637                 | 3,375                        | 21,200                                   | 8,046                       |
| Total current liabilities                             | 33,937                 | 7,137                        | 196,956                                  | 334,904                     |
| <u>Noncurrent liabilities</u>                         |                        |                              |  |                             |
| Advances from other funds                             | —                      | 101                          | —  | 225                         |
| Deposits  | —                      | —                            | 44                                       | —                           |
| Total noncurrent liabilities                          | —                      | 101                          | 44                                       | 225                         |
| Total liabilities                                     | 33,937                 | 7,238                        | 197,000                                  | 335,129                     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                  |                        |                              |  |                             |
| Unavailable revenue                                   | —                      | —                            | 335,259                                  | 2,540                       |
| Total deferred inflows of resources                   | —                      | —                            | 335,259                                  | 2,540                       |
| <b>FUND BALANCES</b>                                  |                        |                              |  |                             |
| Nonspendable  | —                      | —                            | —  | 221                         |
| Restricted  | 88,901                 | 6,455                        | 73,168                                   | 5,719                       |
| Committed   | 265,141                | 75,245                       | 56,622                                   | 204,385                     |
| Total fund balances                                   | 354,042                | 81,700                       | 129,790                                  | 210,325                     |
| Total liabilities, deferred inflows and fund balances | \$ 387,979             | \$ 88,938                    | \$ 662,049                               | \$ 547,994                  |

| Tobacco Settlement | Public Safety | Corrections | Consumer Protection and Safety | Agriculture | Juvenile Justice |
|--------------------|---------------|-------------|--------------------------------|-------------|------------------|
| \$ —               | \$ 122        | \$ —        | \$ 16                          | \$ 257      | \$ 11            |
| 47,729             | 86,406        | 24,611      | 438,809                        | 62,637      | 69,354           |
| —                  | —             | —           | —                              | —           | —                |
| 25                 | 10,464        | 1,133       | 32,302                         | 38,272      | 3,256            |
| —                  | 10,125        | 2,463       | 1,317                          | 3,404       | 1,227            |
| —                  | —             | —           | —                              | —           | —                |
| —                  | —             | —           | —                              | 1,927       | —                |
| —                  | —             | —           | —                              | —           | —                |
| 47,754             | 107,117       | 28,207      | 472,444                        | 106,497     | 73,848           |
| —                  | —             | —           | —                              | —           | —                |
| —                  | —             | —           | —                              | —           | —                |
| —                  | —             | —           | —                              | —           | —                |
| 47,754             | 107,117       | 28,207      | 472,444                        | 106,497     | 73,848           |
| 15,529             | 7,226         | 689         | 126,201                        | 21,821      | 15,640           |
| 3                  | 5,479         | 2,822       | 3,392                          | 1,713       | 563              |
| 2,037              | —             | —           | —                              | —           | —                |
| —                  | 14            | 34          | 31                             | 204         | —                |
| 15,899             | —             | —           | —                              | —           | —                |
| —                  | 696           | —           | 58                             | 5,989       | —                |
| 578                | 867           | 447         | 390                            | 2,032       | —                |
| 34,046             | 14,282        | 3,992       | 130,072                        | 31,759      | 16,203           |
| —                  | 625           | —           | —                              | —           | —                |
| —                  | —             | —           | 67                             | —           | —                |
| —                  | 625           | —           | 67                             | —           | —                |
| 34,046             | 14,907        | 3,992       | 130,139                        | 31,759      | 16,203           |
| —                  | 4,423         | —           | 523                            | —           | —                |
| —                  | 4,423         | —           | 523                            | —           | —                |
| —                  | —             | —           | —                              | 1,927       | —                |
| 12,009             | 7,213         | 8,425       | 37,909                         | 999         | 37,314           |
| 1,699              | 80,574        | 15,790      | 303,873                        | 71,812      | 20,331           |
| 13,708             | 87,787        | 24,215      | 341,782                        | 74,738      | 57,645           |
| \$ 47,754          | \$ 107,117    | \$ 28,207   | \$ 472,444                     | \$ 106,497  | \$ 73,848        |

**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2021**  
**(in thousands)**

|   | Judicial<br>Services | Military and<br>Veterans'<br>Affairs | Florida Clerks<br>of Courts<br>Operations Corp | Florida<br>Citrus<br>Commission |
|---|----------------------|--------------------------------------|--|---------------------------------|
| <b>ASSETS</b>   |                      |                                      |  |                                 |
| <u>Current assets</u>                                 |                      |                                      |  |                                 |
| Cash and cash equivalents                             | \$ 18                | \$ 1,355                             | \$ 1,608                                       | \$ —                            |
| Pooled investments with State Treasury                | 165,487              | 55,354                               | —  | 10,328                          |
| Other investments                                     | —                    | —                                    | —  | —                               |
| Receivables, net                                      | 3,728                | 4,799                                | —  | 1,639                           |
| Due from other funds                                  | 9,057                | 981                                  | —  | —                               |
| Due from component units/primary                      | —                    | —                                    | —  | —                               |
| Inventories   | —                    | —                                    | —  | 452                             |
| Other   | —                    | 27                                   | 1  | 1                               |
| Total current assets                                  | 178,290              | 62,516                               | 1,609  | 12,420                          |
| <u>Noncurrent assets</u>                              |                      |                                      |  |                                 |
| Long-term investments                                 | —                    | —                                    | —  | —                               |
| Other loans and notes receivable, net                 | —                    | —                                    | —  | —                               |
| Total noncurrent assets                               | —                    | —                                    | —  | —                               |
| Total assets  | 178,290              | 62,516                               | 1,609  | 12,420                          |
| <b>LIABILITIES</b>                                    |                      |                                      |  |                                 |
| <u>Current liabilities</u>                            |                      |                                      |  |                                 |
| Accounts payable and accrued liabilities              | 5,180                | 3,058                                | 93   | 1,958                           |
| Due to other funds                                    | 5,067                | 830                                  | —  | 146                             |
| Due to component units/primary                        | —                    | —                                    | —  | 113                             |
| Compensated absences                                  | 87                   | 27                                   | —  | —                               |
| Claims payable  | —                    | —                                    | —  | —                               |
| Deposits  | —                    | —                                    | —  | —                               |
| Obligations under security lending agreements         | —                    | 1,472                                | —  | 456                             |
| Total current liabilities                             | 10,334               | 5,387                                | 93   | 2,673                           |
| <u>Noncurrent liabilities</u>                         |                      |                                      |  |                                 |
| Advances from other funds                             | —                    | —                                    | —  | —                               |
| Deposits  | —                    | —                                    | —  | —                               |
| Total noncurrent liabilities                          | —                    | —                                    | —  | —                               |
| Total liabilities                                     | 10,334               | 5,387                                | 93   | 2,673                           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                  |                      |                                      |  |                                 |
| Unavailable revenue                                   | —                    | —                                    | —  | —                               |
| Total deferred inflows of resources                   | —                    | —                                    | —  | —                               |
| <b>FUND BALANCES</b>                                  |                      |                                      |  |                                 |
| Nonspendable  | —                    | —                                    | 1  | 453                             |
| Restricted  | 45,403               | 2,226                                | 1,515  | 9,294                           |
| Committed   | 122,553              | 54,903                               | —  | —                               |
| Total fund balances                                   | 167,956              | 57,129                               | 1,516  | 9,747                           |
| Total liabilities, deferred inflows and fund balances | \$ 178,290           | \$ 62,516                            | \$ 1,609                                       | \$ 12,420                       |

Blended Component Units

| State Board<br>of<br>Administration | School for<br>the Deaf<br>and<br>the Blind | Wireless<br>Emergency<br>Telephone System | CareerSource<br>Florida, Inc. | FL Water<br>Pollution Control<br>Financing Corp | Inland<br>Protection<br>Financing Corp |
|-------------------------------------|--|---|-------------------------------|---|--|
| \$ 486                              | \$ 182                                     | \$ —                                      | \$ 6,685                      | \$ —  | \$ —                                   |
| —                                   | 1,617                                      | 105,480                                   | —                             | 3,687   | —                                      |
| 5,143                               | 30,956                                     | —   | —                             | 271,653   | 2                                      |
| 8,681                               | 194  | 11,946                                    | 2,935                         | 73,577  | —                                      |
| 20,229                              | 140  | 2,041                                     | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | 164                           | —   | —                                      |
| 34,539                              | 33,089                                     | 119,467                                   | 9,784                         | 348,917   | 2                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| 20,735                              | —  | —   | —                             | 619,970   | —                                      |
| 20,735                              | —  | —   | —                             | 619,970   | —                                      |
| 55,274                              | 33,089                                     | 119,467                                   | 9,784                         | 968,887   | 2                                      |
| 21,882                              | 186  | 30,398                                    | 1,985                         | —   | —                                      |
| 3,516                               | —  | 15  | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | 6,548                         | —   | —                                      |
| —                                   | —  | 4,777                                     | —                             | 172   | —                                      |
| 25,398                              | 186  | 35,190                                    | 8,533                         | 172   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| 25,398                              | 186  | 35,190                                    | 8,533                         | 172   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | 164                           | —   | —                                      |
| —                                   | 14,374                                     | —   | —                             | 968,715   | —                                      |
| 29,876                              | 18,529                                     | 84,277                                    | 1,087                         | —   | 2                                      |
| 29,876                              | 32,903                                     | 84,277                                    | 1,251                         | 968,715   | 2                                      |
| \$ 55,274                           | \$ 33,089                                  | \$ 119,467                                | \$ 9,784                      | \$ 968,887                                      | \$ 2                                   |



**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2021**  
**(in thousands)**

|   | Blended Component Units |                                  |                                    | Totals<br>6/30/21 |
|---|-------------------------|----------------------------------|------------------------------------|-------------------|
|   | Surplus Lines           | Corrections<br>Foundation<br>Inc | Scripps<br>Florida<br>Funding Corp |                   |
| <b>ASSETS</b>   |                         |                                  |                                    |                   |
| <u>Current assets</u>                                 |                         |                                  |                                    |                   |
| Cash and cash equivalents                             | \$ 3,332                | \$ 1,497                         | \$ 18                              | \$ 16,277         |
| Pooled investments with State Treasury                | —                       | —                                | —                                  | 2,439,139         |
| Other investments                                     | 8,242                   | —                                | —                                  | 324,347           |
| Receivables, net                                      | 17                      | —                                | —                                  | 471,664           |
| Due from other funds                                  | —                       | —                                | —                                  | 75,420            |
| Due from component units/primary                      | —                       | —                                | —                                  | 50                |
| Inventories   | —                       | 4                                | —                                  | 2,577             |
| Other   | 10                      | —                                | —                                  | 230               |
| Total current assets                                  | 11,601                  | 1,501                            | 18                                 | 3,329,704         |
| <u>Noncurrent assets</u>                              |                         |                                  |                                    |                   |
| Long-term investments                                 | 33,416                  | 787                              | —                                  | 34,207            |
| Other loans and notes receivable, net                 | —                       | —                                | —                                  | 647,577           |
| Total noncurrent assets                               | 33,416                  | 787                              | —                                  | 681,784           |
| Total assets  | 45,017                  | 2,288                            | 18                                 | 4,011,488         |
| <b>LIABILITIES</b>                                    |                         |                                  |                                    |                   |
| <u>Current liabilities</u>                            |                         |                                  |                                    |                   |
| Accounts payable and accrued liabilities              | 523                     | 11                               | 13                                 | 358,169           |
| Due to other funds                                    | —                       | —                                | —                                  | 250,632           |
| Due to component units/primary                        | —                       | —                                | —                                  | 2,150             |
| Compensated absences                                  | —                       | —                                | —                                  | 893               |
| Claims payable  | —                       | —                                | —                                  | 19,526            |
| Deposits  | —                       | —                                | —                                  | 203,982           |
| Obligations under security lending agreements         | —                       | —                                | —                                  | 56,449            |
| Total current liabilities                             | 523                     | 11                               | 13                                 | 891,801           |
| <u>Noncurrent liabilities</u>                         |                         |                                  |                                    |                   |
| Advances from other funds                             | —                       | —                                | —                                  | 951               |
| Deposits  | —                       | —                                | —                                  | 111               |
| Total noncurrent liabilities                          | —                       | —                                | —                                  | 1,062             |
| Total liabilities                                     | 523                     | 11                               | 13                                 | 892,863           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                  |                         |                                  |                                    |                   |
| Unavailable revenue                                   | —                       | —                                | —                                  | 342,745           |
| Total deferred inflows of resources                   | —                       | —                                | —                                  | 342,745           |
| <b>FUND BALANCES</b>                                  |                         |                                  |                                    |                   |
| Nonspendable  | —                       | 4                                | —                                  | 2,770             |
| Restricted  | —                       | 49                               | —                                  | 1,319,688         |
| Committed   | 44,494                  | 2,224                            | 5                                  | 1,453,422         |
| Total fund balances                                   | 44,494                  | 2,277                            | 5                                  | 2,775,880         |
| Total liabilities, deferred inflows and fund balances | \$ 45,017               | \$ 2,288                         | \$ 18                              | \$ 4,011,488      |

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**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|  | Employment<br>Services | Government<br>Administration | Business and<br>Community<br>Development | Regulation and<br>Licensing |
|--|------------------------|------------------------------|--|-----------------------------|
| <b>REVENUES</b>                                      |                        |                              |  |                             |
| Taxes  | \$ —                   | \$ —                         | \$ —                                     | \$ 252,313                  |
| Licenses and permits                                 | —                      | —                            | —  | 1,826,622                   |
| Fees and charges                                     | 64,582                 | 34,150                       | 2,106                                    | 126,398                     |
| Grants and donations                                 | 1,745,946              | 17,345                       | 2,275,154                                | 14,811                      |
| Investment earnings (losses)                         | (5,934)                | (2,524)                      | (3,513)                                  | (4,798)                     |
| Fines, forfeits, settlements and judgments           | 8,681                  | —                            | —  | 15,986                      |
| Other  | 22,707                 | 1,169                        | 21,070                                   | 1,854                       |
| Total revenues                                       | 1,835,982              | 50,140                       | 2,294,817                                | 2,233,186                   |
| <b>EXPENDITURES</b>                                  |                        |                              |  |                             |
| Current:   |                        |                              |  |                             |
| General government                                   | 1,728,810              | 116,850                      | 2,170,414                                | 287,533                     |
| Education  | 182,504                | —                            | —  | —                           |
| Human services                                       | —                      | —                            | —  | —                           |
| Criminal justice and corrections                     | —                      | —                            | —  | —                           |
| Natural resources and environment                    | —                      | —                            | —  | —                           |
| Judicial branch                                      | —                      | —                            | —  | —                           |
| Capital outlay                                       | 659                    | 1,619                        | 902                                      | 1,896                       |
| Debt service:  |                        |                              |  |                             |
| Principal retirement                                 | —                      | 25                           | —  | 261                         |
| Interest and fiscal charges                          | —                      | —                            | 23                                       | 2                           |
| Total expenditures                                   | 1,911,973              | 118,494                      | 2,171,339                                | 289,692                     |
| Excess (deficiency) of revenues<br>over expenditures | (75,991)               | (68,354)                     | 123,478                                  | 1,943,494                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                        |                              |  |                             |
| Operating transfers in                               | 140,998                | 74,443                       | 236,178                                  | 76,937                      |
| Operating transfers out                              | (95,879)               | (8,027)                      | (369,805)                                | (2,010,164)                 |
| Proceeds of financing agreements                     | —                      | —                            | —  | 735                         |
| Total other financing sources (uses)                 | 45,119                 | 66,416                       | (133,627)                                | (1,932,492)                 |
| Net change in fund balances                          | (30,872)               | (1,938)                      | (10,149)                                 | 11,002                      |
| Fund balances - beginning , as restated              | 384,914                | 83,638                       | 139,939                                  | 199,323                     |
| Fund balances - ending                               | \$ 354,042             | \$ 81,700                    | \$ 129,790                               | \$ 210,325                  |

| Tobacco<br>Settlement | Public Safety | Corrections | Consumer<br>Protection<br>and Safety | Agriculture | Juvenile<br>Justice |
|-----------------------|---------------|-------------|--------------------------------------|-------------|---------------------|
| \$ —                  | \$ —          | \$ —        | \$ 14                                | \$ —        | \$ 1                |
| —                     | —             | —           | —                                    | 25,766      | —                   |
| —                     | 107,123       | 15,912      | 4,022                                | 54,555      | 49,492              |
| —                     | 39,875        | 246         | 110,831                              | 1,339,074   | 2,367               |
| (424)                 | (468)         | (184)       | (210)                                | (959)       | 1                   |
| 402,319               | 30,545        | 1           | 31,816                               | 28          | 1,080               |
| —                     | 3,877         | 1,053       | 10,834                               | 3,617       | 1,246               |
| 401,895               | 180,952       | 17,028      | 157,307                              | 1,422,081   | 54,187              |
| 68                    | 21,467        | —           | 1,558,164                            | —           | —                   |
| —                     | —             | —           | —                                    | —           | —                   |
| 430,037               | —             | —           | —                                    | —           | —                   |
| —                     | 147,875       | 25,526      | 127,985                              | —           | 119,743             |
| —                     | —             | —           | —                                    | 1,442,441   | —                   |
| —                     | —             | —           | —                                    | —           | —                   |
| —                     | 5,293         | 665         | 5,824                                | 6,453       | 1,825               |
| —                     | —             | —           | —                                    | —           | —                   |
| —                     | —             | —           | —                                    | —           | —                   |
| 430,105               | 174,635       | 26,191      | 1,691,973                            | 1,448,894   | 121,568             |
| (28,210)              | 6,317         | (9,163)     | (1,534,666)                          | (26,813)    | (67,381)            |
| 8,672                 | 40,513        | 29,280      | 1,904,691                            | 53,249      | 79,182              |
| (9,127)               | (21,847)      | (18,171)    | (162,719)                            | (11,670)    | (3,205)             |
| —                     | —             | —           | —                                    | —           | —                   |
| (455)                 | 18,666        | 11,109      | 1,741,972                            | 41,579      | 75,977              |
| (28,665)              | 24,983        | 1,946       | 207,306                              | 14,766      | 8,596               |
| 42,373                | 62,804        | 22,269      | 134,476                              | 59,972      | 49,049              |
| \$ 13,708             | \$ 87,787     | \$ 24,215   | \$ 341,782                           | \$ 74,738   | \$ 57,645           |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|  | Judicial<br>Services | Military and<br>Veterans'<br>Affairs | Florida Clerks<br>of Court<br>Operations<br>Corp | Florida<br>Citrus<br>Commission |
|--|----------------------|--------------------------------------|--|---------------------------------|
| <b>REVENUES</b>                                      |                      |                                      |  |                                 |
| Taxes  | \$ —                 | \$ —                                 | \$ —   | \$ 7,816                        |
| Licenses and permits                                 | 560                  | —                                    | —  | —                               |
| Fees and charges                                     | 99,918               | 29,320                               | —  | 8                               |
| Grants and donations                                 | 16,204               | 129,791                              | 1,641  | 3,841                           |
| Investment earnings (losses)                         | —                    | (1,080)                              | 1  | (288)                           |
| Fines, forfeits, settlements and judgments           | 56,759               | —                                    | —  | 20                              |
| Other  | 13,390               | 742                                  | 1  | 5                               |
| Total revenues                                       | 186,831              | 158,773                              | 1,643  | 11,402                          |
| <b>EXPENDITURES</b>                                  |                      |                                      |  |                                 |
| Current:   |                      |                                      |  |                                 |
| General government                                   | 1,977                | 41,466                               | 1,270  | 12,364                          |
| Education  | —                    | —                                    | —  | —                               |
| Human services                                       | —                    | 83,189                               | —  | —                               |
| Criminal justice and corrections                     | 81,793               | —                                    | —  | —                               |
| Natural resources and environment                    | —                    | —                                    | —  | —                               |
| Judicial branch                                      | 91,298               | —                                    | —  | —                               |
| Capital outlay                                       | 401                  | 26,655                               | —  | —                               |
| Debt service:  |                      |                                      |  |                                 |
| Principal retirement                                 | —                    | —                                    | —  | —                               |
| Interest and fiscal charges                          | —                    | —                                    | —  | —                               |
| Total expenditures                                   | 175,469              | 151,310                              | 1,270  | 12,364                          |
| Excess (deficiency) of revenues<br>over expenditures | 11,362               | 7,463                                | 373  | (962)                           |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                      |                                      |  |                                 |
| Operating transfers in                               | 43,226               | 10,480                               | —  | —                               |
| Operating transfers out                              | (11,280)             | (19,362)                             | —  | (460)                           |
| Proceeds of financing agreements                     | —                    | —                                    | —  | —                               |
| Total other financing sources (uses)                 | 31,946               | (8,882)                              | —  | (460)                           |
| Net change in fund balances                          | 43,308               | (1,419)                              | 373  | (1,422)                         |
| Fund balances - beginning, as restated               | 124,648              | 58,548                               | 1,143  | 11,169                          |
| Fund balances - ending                               | \$ 167,956           | \$ 57,129                            | \$ 1,516   | \$ 9,747                        |

Blended Component Units

| State Board<br>of<br>Administration | School for<br>the Deaf<br>and<br>the Blind | Wireless<br>Emergency<br>Telephone System | CareerSource<br>Florida, Inc. | FL Water<br>Pollution Control<br>Financing Corp | Inland<br>Protection<br>Financing Corp |
|-------------------------------------|--|---|-------------------------------|---|--|
| \$ —                                | \$ —                                       | \$ —                                      | \$ —                          | \$ —  | \$ —                                   |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | 4,858                                      | 124,320                                   | —                             | —   | —                                      |
| —                                   | 14,610                                     | —   | 20,141                        | —   | —                                      |
| 380                                 | 424  | (2,515)                                   | —                             | 9,454   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| 380                                 | 19,892                                     | 121,805                                   | 20,141                        | 9,454   | —                                      |
| 214,599                             | —  | 120,477                                   | 20,130                        | 4   | —                                      |
| —                                   | 6,276                                      | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | 1   | 28                            | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| 214,599                             | 6,276                                      | 120,478                                   | 20,158                        | 4   | —                                      |
| (214,219)                           | 13,616                                     | 1,327                                     | (17)                          | 9,450   | —                                      |
| 214,516                             | 1,694                                      | —   | —                             | —   | —                                      |
| (14,957)                            | (51)                                       | (797)                                     | —                             | (15,177)  | —                                      |
| —                                   | —  | —   | —                             | —   | —                                      |
| 199,559                             | 1,643                                      | (797)                                     | —                             | (15,177)  | —                                      |
| (14,660)                            | 15,259                                     | 530                                       | (17)                          | (5,727)   | —                                      |
| 44,536                              | 17,644                                     | 83,747                                    | 1,268                         | 974,442   | 2                                      |
| \$ 29,876                           | \$ 32,903                                  | \$ 84,277                                 | \$ 1,251                      | \$ 968,715                                      | \$ 2                                   |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Blended Component Units |                               |                                    | Totals<br>6/30/21 |
|--|-------------------------|-------------------------------|------------------------------------|-------------------|
|  | Surplus<br>Lines        | Corrections<br>Foundation Inc | Scripps<br>Florida<br>Funding Corp |                   |
| <b>REVENUES</b>                                      |                         |                               |                                    |                   |
| Taxes  | \$ —                    | \$ —                          | \$ —                               | \$ 260,144        |
| Licenses and permits                                 | —                       | —                             | —                                  | 1,852,948         |
| Fees and charges                                     | 7,339                   | 40                            | —                                  | 724,143           |
| Grants and donations                                 | —                       | 1,274                         | —                                  | 5,733,151         |
| Investment earnings (losses)                         | 3,796                   | 14                            | —                                  | (8,827)           |
| Fines, forfeits, settlements and judgments           | —                       | —                             | —                                  | 547,235           |
| Other  | 75                      | —                             | —                                  | 81,640            |
| Total revenues                                       | 11,210                  | 1,328                         | —                                  | 9,190,434         |
| <b>EXPENDITURES</b>                                  |                         |                               |                                    |                   |
| Current:   |                         |                               |                                    |                   |
| General government                                   | 4,786                   | —                             | 41                                 | 6,300,420         |
| Education  | —                       | —                             | —                                  | 188,780           |
| Human services                                       | —                       | —                             | —                                  | 513,226           |
| Criminal justice and corrections                     | —                       | 747                           | —                                  | 503,669           |
| Natural resources and environment                    | —                       | —                             | —                                  | 1,442,441         |
| Judicial branch                                      | —                       | —                             | —                                  | 91,298            |
| Capital outlay                                       | 3,168                   | —                             | —                                  | 55,389            |
| Debt service:  |                         |                               |                                    |                   |
| Principal retirement                                 | —                       | —                             | —                                  | 286               |
| Interest and fiscal charges                          | —                       | —                             | —                                  | 25                |
| Total expenditures                                   | 7,954                   | 747                           | 41                                 | 9,095,534         |
| Excess (deficiency) of revenues<br>over expenditures | 3,256                   | 581                           | (41)                               | 94,900            |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                         |                               |                                    |                   |
| Operating transfers in                               | —                       | —                             | —                                  | 2,914,059         |
| Operating transfers out                              | —                       | —                             | —                                  | (2,772,698)       |
| Proceeds of financing agreements                     | —                       | —                             | —                                  | 735               |
| Total other financing sources (uses)                 | —                       | —                             | —                                  | 142,096           |
| Net change in fund balances                          | 3,256                   | 581                           | (41)                               | 236,996           |
| Fund balances - beginning, as restated               | 41,238                  | 1,696                         | 46                                 | 2,538,884         |
| Fund balances - ending                               | \$ 44,494               | \$ 2,277                      | \$ 5                               | \$ 2,775,880      |

**BUDGETARY COMPARISON SCHEDULES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|                                       | Employment Services |            |  |
|---------------------------------------|---------------------|------------|--|
|                                       | Budget              | Actual     | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 154,523          | \$ 154,523 | \$ —   |
| Reversions                            | 39,811              | 39,811     | —  |
| Fund Balances, July 1, 2020, restated | 194,334             | 194,334    | —  |
| <b>REVENUES</b>                       |                     |            |  |
| Fees and charges                      | 62,540              | 66,762     | 4,222  |
| Miscellaneous                         | 2,532               | 2,572      | 40   |
| Interest                              | 5,867               | 4,822      | (1,045)  |
| Grants                                | 1,751,481           | 1,773,763  | 22,282   |
| Refunds                               | 16,621              | 21,626     | 5,005  |
| Transfers and distributions           | 140,388             | 137,988    | (2,400)  |
| Other                                 | 7,960               | 8,759      | 799  |
| Total Revenues                        | 1,987,389           | 2,016,292  | 28,903   |
| Total Available Resources             | 2,181,723           | 2,210,626  | 28,903   |
| <b>EXPENDITURES</b>                   |                     |            |  |
| Operating expenditures:               |                     |            |  |
| Salaries and benefits                 | 141,635             | 118,506    | 23,129   |
| Other personal services               | 23,980              | 17,370     | 6,610  |
| Expenses                              | 32,905              | 30,070     | 2,835  |
| Grants and aids                       | 4,101               | 3,626      | 475  |
| Operating capital outlay              | 1,329               | 462        | 867  |
| Food products                         | 200                 | 33         | 167  |
| Special categories                    | 590,204             | 581,950    | 8,254  |
| Payments to U.S. Treasury             | 105                 | 105        | —  |
| Data processing services              | 4,910               | 4,077      | 833  |
| Total Operating Expenditures          | 799,369             | 756,199    | 43,170   |
| Nonoperating expenditures:            |                     |            |  |
| Transfers                             | 63,957              | 63,957     | —  |
| Refunds                               | 64                  | 64         | —  |
| Other                                 | 1,230,214           | 1,230,214  | —  |
| Total Nonoperating Expenditures       | 1,294,235           | 1,294,235  | —  |
| Total Expenditures                    | 2,093,604           | 2,050,434  | 43,170   |
| Fund Balances, June 30, 2021          | \$ 88,119           | \$ 160,192 | \$ 72,073  |



**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Government Administration |           |  |
|---------------------------------------|---------------------------|-----------|--|
|                                       | Budget                    | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 75,939                 | \$ 75,939 | \$ —   |
| Reversions                            | 1,320                     | 1,320     | —  |
| Fund Balances, July 1, 2020, restated | 77,259                    | 77,259    | —  |
| <b>REVENUES</b>                       |                           |           |  |
| Fees and charges                      | 32,902                    | 33,501    | 599  |
| Interest                              | 547                       | 2,275     | 1,728  |
| Grants                                | 12,151                    | 16,714    | 4,563  |
| Refunds                               | 22                        | 1,315     | 1,293  |
| Transfers and distributions           | 51,540                    | 79,810    | 28,270   |
| Other                                 | 28,554                    | 90        | (28,464)   |
| Total Revenues                        | 125,716                   | 133,705   | 7,989  |
| Total Available Resources             | 202,975                   | 210,964   | 7,989  |
| <b>EXPENDITURES</b>                   |                           |           |  |
| Operating expenditures:               |                           |           |  |
| Salaries and benefits                 | 36,152                    | 33,997    | 2,155  |
| Other personal services               | 921                       | 585       | 336  |
| Expenses                              | 6,158                     | 5,584     | 574  |
| Grants and aids                       | 3,527                     | 3,507     | 20   |
| Operating capital outlay              | 540                       | 459       | 81   |
| Fixed capital outlay                  | 1,570                     | 1,570     | —  |
| Special categories                    | 78,411                    | 78,411    | —  |
| Grants/aids to local governments      | 992                       | 992       | —  |
| Data processing services              | 272                       | 218       | 54   |
| Total Operating Expenditures          | 128,543                   | 125,323   | 3,220  |
| Nonoperating expenditures:            |                           |           |  |
| Payments to U.S. Treasury             | 336                       | 336       | —  |
| Transfers                             | 7,173                     | 7,173     | —  |
| Refunds                               | 107                       | 107       | —  |
| Other                                 | 4,651                     | 4,651     | —  |
| Total Nonoperating Expenditures       | 12,267                    | 12,267    | —  |
| Total Expenditures                    | 140,810                   | 137,590   | 3,220  |
| Fund Balances, June 30, 2021          | \$ 62,165                 | \$ 73,374 | \$ 11,209  |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Business and Community Development |            |  |
|---------------------------------------|------------------------------------|------------|--|
|                                       | Budget                             | Actual     | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 175,261                         | \$ 175,261 | \$ —   |
| Reversions                            | 13,164                             | 13,164     | —  |
| Fund Balances, July 1, 2020, restated | 188,425                            | 188,425    | —  |
| <b>REVENUES</b>                       |                                    |            |  |
| Fees and charges                      | 2,440                              | 2,381      | (59)   |
| Interest                              | 16,300                             | 8,827      | (7,473)  |
| Grants                                | 5,892,793                          | 4,718,092  | (1,174,701)  |
| Refunds                               | 16,839                             | 17,501     | 662  |
| Employee/employer contributions       | 11                                 | 11         | —  |
| Transfers and distributions           | 225,205                            | 234,676    | 9,471  |
| Other                                 | 156                                | 3,886      | 3,730  |
| Total Revenues                        | 6,153,744                          | 4,985,374  | (1,168,370)  |
| Total Available Resources             | 6,342,169                          | 5,173,799  | (1,168,370)  |
| <b>EXPENDITURES</b>                   |                                    |            |  |
| Operating expenditures:               |                                    |            |  |
| Salaries and benefits                 | 18,332                             | 16,007     | 2,325  |
| Other personal services               | 3,986                              | 3,108      | 878  |
| Expenses                              | 4,797                              | 3,696      | 1,101  |
| Grants and aids                       | 10,377                             | 6,241      | 4,136  |
| Operating capital outlay              | 105                                | 5          | 100  |
| Special categories                    | 4,554,400                          | 4,554,400  | —  |
| Continuing appropriations             | 43,571                             | 43,571     | —  |
| Grants/aids to local governments      | 7,169                              | 7,169      | —  |
| Data processing services              | 51                                 | 51         | —  |
| Total Operating Expenditures          | 4,642,788                          | 4,634,248  | 8,540  |
| Nonoperating expenditures:            |                                    |            |  |
| Transfers                             | 102,973                            | 102,973    | —  |
| Refunds                               | 11,327                             | 11,327     | —  |
| Other                                 | 670                                | 670        | —  |
| Total Nonoperating Expenditures       | 114,970                            | 114,970    | —  |
| Total Expenditures                    | 4,757,758                          | 4,749,218  | 8,540  |
| Fund Balances, June 30, 2021          | \$ 1,584,411                       | \$ 424,581 | \$ (1,159,830)                                       |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Regulation and Licensing |            |  |
|---------------------------------------|--------------------------|------------|--|
|                                       | Budget                   | Actual     | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 361,793               | \$ 361,793 | \$ —   |
| Reversions                            | 14,024                   | 14,024     | —  |
| Fund Balances, July 1, 2020, restated | 375,817                  | 375,817    | —  |
| <b>REVENUES</b>                       |                          |            |  |
| Fees and charges                      | 137,283                  | 163,937    | 26,654   |
| Licenses                              | 1,685,093                | 1,866,509  | 181,416  |
| Taxes                                 | 226,482                  | 241,614    | 15,132   |
| Miscellaneous                         | 1,617                    | 3,449      | 1,832  |
| Interest                              | 479                      | 3,077      | 2,598  |
| Grants                                | 40                       | 9          | (31)   |
| Refunds                               | 270                      | 856        | 586  |
| Transfers and distributions           | 17,159                   | 55,153     | 37,994   |
| Other                                 | 2,161                    | 16,131     | 13,970   |
| Total Revenues                        | 2,070,584                | 2,350,735  | 280,151  |
| Total Available Resources             | 2,446,401                | 2,726,552  | 280,151  |
| <b>EXPENDITURES</b>                   |                          |            |  |
| Operating expenditures:               |                          |            |  |
| Salaries and benefits                 | 142,780                  | 128,071    | 14,709   |
| Other personal services               | 3,628                    | 2,071      | 1,557  |
| Expenses                              | 21,295                   | 18,516     | 2,779  |
| Grants and aids                       | 528                      | 528        | —  |
| Operating capital outlay              | 1,266                    | 898        | 368  |
| Fixed capital outlay                  | 470                      | 470        | —  |
| Special categories                    | 76,181                   | 63,981     | 12,200   |
| Grants/aids to local governments      | 2,026                    | 2,026      | —  |
| Data processing services              | 3,502                    | 2,222      | 1,280  |
| Total Operating Expenditures          | 251,676                  | 218,783    | 32,893   |
| Nonoperating expenditures:            |                          |            |  |
| Transfers                             | 1,967,450                | 1,967,450  | —  |
| Refunds                               | 3,204                    | 3,204      | —  |
| Other                                 | 91,395                   | 91,395     | —  |
| Total Nonoperating Expenditures       | 2,062,049                | 2,062,049  | —  |
| Total Expenditures                    | 2,313,725                | 2,280,832  | 32,893   |
| Fund Balances, June 30, 2021          | \$ 132,676               | \$ 445,720 | \$ 313,044   |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Tobacco Settlement |           |  |
|---------------------------------------|--------------------|-----------|--|
|                                       | Budget             | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 40,061          | \$ 40,061 | \$ —   |
| Reversions                            | 803                | 803       | —  |
| Fund Balances, July 1, 2020, restated | 40,864             | 40,864    | —  |
| <b>REVENUES</b>                       |                    |           |  |
| Interest                              | 800                | 824       | 24   |
| Refunds                               | 51                 | 48        | (3)  |
| Transfers and distributions           | 438,232            | 438,232   | —  |
| Other                                 | 402,400            | 410,745   | 8,345  |
| Total Revenues                        | 841,483            | 849,849   | 8,366  |
| Total Available Resources             | 882,347            | 890,713   | 8,366  |
| <b>EXPENDITURES</b>                   |                    |           |  |
| Operating expenditures:               |                    |           |  |
| Salaries and benefits                 | 350                | 337       | 13   |
| Special categories                    | 439,602            | 438,696   | 906  |
| Total Operating Expenditures          | 439,952            | 439,033   | 919  |
| Nonoperating expenditures:            |                    |           |  |
| Transfers                             | 438,721            | 438,721   | —  |
| Total Nonoperating Expenditures       | 438,721            | 438,721   | —  |
| Total Expenditures                    | 878,673            | 877,754   | 919  |
| Fund Balances, June 30, 2021          | \$ 3,674           | \$ 12,959 | \$ 9,285   |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
(in thousands)

|                                       | Public Safety |           |  |
|---------------------------------------|---------------|-----------|--|
|                                       | Budget        | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 42,871     | \$ 42,871 | \$ —   |
| Reversions                            | 12,090        | 12,090    | —  |
| Fund Balances, July 1, 2020, restated | 54,961        | 54,961    | —  |
| <b>REVENUES</b>                       |               |           |  |
| Fees and charges                      | 95,713        | 108,002   | 12,289   |
| Miscellaneous                         | 90            | 90        | —  |
| Interest                              | 498           | 382       | (116)  |
| Grants                                | 53,711        | 32,498    | (21,213)   |
| Refunds                               | 1,302         | 3,632     | 2,330  |
| Transfers and distributions           | 38,447        | 38,690    | 243  |
| Other                                 | 36,890        | 34,378    | (2,512)  |
| Total Revenues                        | 226,651       | 217,672   | (8,979)  |
| Total Available Resources             | 281,612       | 272,633   | (8,979)  |
| <b>EXPENDITURES</b>                   |               |           |  |
| Operating expenditures:               |               |           |  |
| Salaries and benefits                 | 70,796        | 62,735    | 8,061  |
| Other personal services               | 2,820         | 1,582     | 1,238  |
| Expenses                              | 29,661        | 21,391    | 8,270  |
| Grants and aids                       | 18,903        | 9,349     | 9,554  |
| Operating capital outlay              | 7,084         | 5,002     | 2,082  |
| Special categories                    | 76,353        | 76,353    | —  |
| Data processing services              | 1             | —         | 1  |
| Total Operating Expenditures          | 205,618       | 176,412   | 29,206   |
| Nonoperating expenditures:            |               |           |  |
| Transfers                             | 912           | 912       | —  |
| Refunds                               | 140           | 140       | —  |
| Other                                 | 26,444        | 26,444    | —  |
| Total Nonoperating Expenditures       | 27,496        | 27,496    | —  |
| Total Expenditures                    | 233,114       | 203,908   | 29,206   |
| Fund Balances, June 30, 2021          | \$ 48,498     | \$ 68,725 | \$ 20,227  |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Corrections |           |  |
|---------------------------------------|-------------|-----------|--|
|                                       | Budget      | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 17,769   | \$ 17,769 | \$ —   |
| Reversions                            | 824         | 824       | —  |
| Fund Balances, July 1, 2020, restated | 18,593      | 18,593    | —  |
| <b>REVENUES</b>                       |             |           |  |
| Fees and charges                      | 15,155      | 15,154    | (1)  |
| Interest                              | —           | 139       | 139  |
| Grants                                | 50          | 51        | 1  |
| Refunds                               | 825         | 934       | 109  |
| Transfers and distributions           | 26,515      | 26,511    | (4)  |
| Other                                 | 2,180       | 2,181     | 1  |
| Total Revenues                        | 44,725      | 44,970    | 245  |
| Total Available Resources             | 63,318      | 63,563    | 245  |
| <b>EXPENDITURES</b>                   |             |           |  |
| Operating expenditures:               |             |           |  |
| Salaries and benefits                 | 6,038       | 4,597     | 1,441  |
| Other personal services               | 819         | 565       | 254  |
| Expenses                              | 8,254       | 7,717     | 537  |
| Operating capital outlay              | 945         | 945       | —  |
| Special categories                    | 13,487      | 13,487    | —  |
| Data processing services              | 162         | 133       | 29   |
| Total Operating Expenditures          | 29,705      | 27,444    | 2,261  |
| Nonoperating expenditures:            |             |           |  |
| Transfers                             | 13,217      | 13,217    | —  |
| Refunds                               | 487         | 487       | —  |
| Other                                 | 1,181       | 1,181     | —  |
| Total Nonoperating Expenditures       | 14,885      | 14,885    | —  |
| Total Expenditures                    | 44,590      | 42,329    | 2,261  |
| Fund Balances, June 30, 2021          | \$ 18,728   | \$ 21,234 | \$ 2,506   |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Consumer Protection and Safety |            |  |
|---------------------------------------|--------------------------------|------------|--|
|                                       | Budget                         | Actual     | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 16,287                      | \$ 16,287  | \$ —   |
| Reversions                            | 78,193                         | 78,193     | —  |
| Fund Balances, July 1, 2020, restated | 94,480                         | 94,480     | —  |
| <b>REVENUES</b>                       |                                |            |  |
| Fees and charges                      | 5,378                          | 4,170      | (1,208)  |
| Interest                              | 52                             | 140        | 88   |
| Grants                                | 235,494                        | 101,020    | (134,474)  |
| Refunds                               | 14,107                         | 10,642     | (3,465)  |
| Transfers and distributions           | 3,273,522                      | 3,190,152  | (83,370)   |
| Other                                 | 22,360                         | 32,192     | 9,832  |
| Total Revenues                        | 3,550,913                      | 3,338,316  | (212,597)  |
| Total Available Resources             | 3,645,393                      | 3,432,796  | (212,597)  |
| <b>EXPENDITURES</b>                   |                                |            |  |
| Operating expenditures:               |                                |            |  |
| Salaries and benefits                 | 32,297                         | 27,169     | 5,128  |
| Other personal services               | 904                            | 453        | 451  |
| Expenses                              | 5,032                          | 2,939      | 2,093  |
| Operating capital outlay              | 385                            | 29         | 356  |
| Special categories                    | 3,312,548                      | 3,108,015  | 204,533  |
| Data processing services              | 36                             | —          | 36   |
| Total Operating Expenditures          | 3,351,202                      | 3,138,605  | 212,597  |
| Nonoperating expenditures:            |                                |            |  |
| Transfers                             | 150,889                        | 150,889    | —  |
| Refunds                               | 7,121                          | 7,121      | —  |
| Other                                 | 4,687                          | 4,687      | —  |
| Total Nonoperating Expenditures       | 162,697                        | 162,697    | —  |
| Total Expenditures                    | 3,513,899                      | 3,301,302  | 212,597  |
| Fund Balances, June 30, 2021          | \$ 131,494                     | \$ 131,494 | \$ —   |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Agriculture |           |  |
|---------------------------------------|-------------|-----------|--|
|                                       | Budget      | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 40,280   | \$ 40,280 | \$ —   |
| Reversions                            | 65,337      | 65,337    | —  |
| Fund Balances, July 1, 2020, restated | 105,617     | 105,617   | —  |
| <b>REVENUES</b>                       |             |           |  |
| Fees and charges                      | 47,551      | 47,762    | 211  |
| Licenses                              | 18,801      | 26,132    | 7,331  |
| Interest                              | —           | 938       | 938  |
| Grants                                | 1,332,971   | 1,310,263 | (22,708)   |
| Refunds                               | 2,480       | 2,702     | 222  |
| Transfers and distributions           | 56,275      | 56,275    | —  |
| Other                                 | 1,839       | 2,668     | 829  |
| Total Revenues                        | 1,459,917   | 1,446,740 | (13,177)   |
| Total Available Resources             | 1,565,534   | 1,552,357 | (13,177)   |
| <b>EXPENDITURES</b>                   |             |           |  |
| Operating expenditures:               |             |           |  |
| Salaries and benefits                 | 96,640      | 96,640    | —  |
| Other personal services               | 6,198       | 6,198     | —  |
| Expenses                              | 27,119      | 21,577    | 5,542  |
| Grants and aids                       | 1,207,079   | 1,207,079 | —  |
| Operating capital outlay              | 2,686       | 1,746     | 940  |
| Fixed capital outlay                  | 4,734       | 4,734     | —  |
| Special categories                    | 181,991     | 181,991   | —  |
| Grants/aids to local governments      | 371         | 371       | —  |
| Total Operating Expenditures          | 1,526,818   | 1,520,336 | 6,482  |
| Nonoperating expenditures:            |             |           |  |
| Payments to U.S. Treasury             | 4,108       | 4,108     | —  |
| Transfers                             | 13,504      | 13,504    | —  |
| Refunds                               | 776         | 776       | —  |
| Other                                 | 10,947      | 10,947    | —  |
| Total Nonoperating Expenditures       | 29,335      | 29,335    | —  |
| Total Expenditures                    | 1,556,153   | 1,549,671 | 6,482  |
| Fund Balances, June 30, 2021          | \$ 9,381    | \$ 2,686  | \$ (6,695)   |



**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Juvenile Justice |           |  |
|---------------------------------------|------------------|-----------|--|
|                                       | Budget           | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 45,220        | \$ 45,220 | \$ —   |
| Reversions                            | 6,479            | 6,479     | —  |
| Fund Balances, July 1, 2020, restated | 51,699           | 51,699    | —  |
| <b>REVENUES</b>                       |                  |           |  |
| Fees and charges                      | 55,308           | 50,534    | (4,774)  |
| Grants                                | 2,946            | 2,047     | (899)  |
| Refunds                               | —                | 88        | 88   |
| Transfers and distributions           | 76,632           | 79,142    | 2,510  |
| Other                                 | 1,265            | 1,085     | (180)  |
| Total Revenues                        | 136,151          | 132,896   | (3,255)  |
| Total Available Resources             | 187,850          | 184,595   | (3,255)  |
| <b>EXPENDITURES</b>                   |                  |           |  |
| Operating expenditures:               |                  |           |  |
| Salaries and benefits                 | 41,480           | 31,288    | 10,192   |
| Other personal services               | 2,097            | 1,496     | 601  |
| Expenses                              | 10,674           | 9,197     | 1,477  |
| Grants and aids                       | 1,263            | 982       | 281  |
| Operating capital outlay              | 417              | 369       | 48   |
| Food products                         | 1,702            | 1,169     | 533  |
| Fixed capital outlay                  | 1,050            | 1,050     | —  |
| Special categories                    | 80,346           | 80,346    | —  |
| Total Operating Expenditures          | 139,029          | 125,897   | 13,132   |
| Nonoperating expenditures:            |                  |           |  |
| Refunds                               | 4                | 4         | —  |
| Other                                 | 1,971            | 1,971     | —  |
| Total Nonoperating Expenditures       | 1,975            | 1,975     | —  |
| Total Expenditures                    | 141,004          | 127,872   | 13,132   |
| Fund Balances, June 30, 2021          | \$ 46,846        | \$ 56,723 | \$ 9,877   |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
(in thousands)

|                                       | Judicial Services |            |  |
|---------------------------------------|-------------------|------------|--|
|                                       | Budget            | Actual     | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 116,579        | \$ 116,579 | \$ —   |
| Reversions                            | 5,266             | 5,266      | —  |
| Fund Balances, July 1, 2020, restated | 121,845           | 121,845    | —  |
| <b>REVENUES</b>                       |                   |            |  |
| Fees and charges                      | 103,020           | 94,505     | (8,515)  |
| Licenses                              | 561               | 560        | (1)  |
| Miscellaneous                         | 2                 | 2          | —  |
| Grants                                | 14,377            | 13,828     | (549)  |
| Refunds                               | 12,747            | 12,804     | 57   |
| Transfers and distributions           | 60,271            | 47,097     | (13,174)   |
| Other                                 | 54,118            | 56,668     | 2,550  |
| Total Revenues                        | 245,096           | 225,464    | (19,632)   |
| Total Available Resources             | 366,941           | 347,309    | (19,632)   |
| <b>EXPENDITURES</b>                   |                   |            |  |
| Operating expenditures:               |                   |            |  |
| Salaries and benefits                 | 221,382           | 155,675    | 65,707   |
| Other personal services               | 7,515             | 2,534      | 4,981  |
| Expenses                              | 3,540             | 745        | 2,795  |
| Operating capital outlay              | 268               | 27         | 241  |
| Fixed capital outlay                  | 207               | 207        | —  |
| Special categories                    | 17,886            | 17,886     | —  |
| Data processing services              | 1,046             | 472        | 574  |
| Total Operating Expenditures          | 251,844           | 177,546    | 74,298   |
| Nonoperating expenditures:            |                   |            |  |
| Transfers                             | 496               | 496        | —  |
| Refunds                               | 123               | 123        | —  |
| Other                                 | 9,425             | 9,425      | —  |
| Total Nonoperating Expenditures       | 10,044            | 10,044     | —  |
| Total Expenditures                    | 261,888           | 187,590    | 74,298   |
| Fund Balances, June 30, 2021          | \$ 105,053        | \$ 159,719 | \$ 54,666  |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
(in thousands)

|                                       | Military and Veterans' Affairs |           |  |
|---------------------------------------|--------------------------------|-----------|--|
|                                       | Budget                         | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 45,410                      | \$ 45,410 | \$ —   |
| Reversions                            | 1,619                          | 1,619     | —  |
| Fund Balances, July 1, 2020, restated | 47,029                         | 47,029    | —  |
| <b>REVENUES</b>                       |                                |           |  |
| Fees and charges                      | 29,308                         | 29,203    | (105)  |
| Miscellaneous                         | 6                              | 7         | 1  |
| Interest                              | 591                            | 595       | 4  |
| Grants                                | 112,619                        | 113,640   | 1,021  |
| Refunds                               | 705                            | 472       | (233)  |
| Transfers and distributions           | 15,993                         | 12,236    | (3,757)  |
| Other                                 | 55                             | 60        | 5  |
| Total Revenues                        | 159,277                        | 156,213   | (3,064)  |
| Total Available Resources             | 206,306                        | 203,242   | (3,064)  |
| <b>EXPENDITURES</b>                   |                                |           |  |
| Operating expenditures:               |                                |           |  |
| Salaries and benefits                 | 94,284                         | 69,647    | 24,637   |
| Other personal services               | 4,748                          | 1,738     | 3,010  |
| Expenses                              | 25,102                         | 17,699    | 7,403  |
| Operating capital outlay              | 1,459                          | 570       | 889  |
| Food products                         | 5,795                          | 3,554     | 2,241  |
| Fixed capital outlay                  | 27,167                         | 27,167    | —  |
| Special categories                    | 30,828                         | 26,625    | 4,203  |
| Total Operating Expenditures          | 189,383                        | 147,000   | 42,383   |
| Nonoperating expenditures:            |                                |           |  |
| Transfers                             | 6,636                          | 6,636     | —  |
| Refunds                               | 554                            | 554       | —  |
| Other                                 | 769                            | 769       | —  |
| Total Nonoperating Expenditures       | 7,959                          | 7,959     | —  |
| Total Expenditures                    | 197,342                        | 154,959   | 42,383   |
| Fund Balances, June 30, 2021          | \$ 8,964                       | \$ 48,283 | \$ 39,319  |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Florida Citrus Commission |          |  |
|---------------------------------------|---------------------------|----------|--|
|                                       | Budget                    | Actual   | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 8,561                  | \$ 8,561 | \$ —   |
| Reversions                            | 587                       | 587      | —  |
| Fund Balances, July 1, 2020, restated | 9,148                     | 9,148    | —  |
| <b>REVENUES</b>                       |                           |          |  |
| Taxes                                 | 7,926                     | 7,816    | (110)  |
| Miscellaneous                         | 30                        | 11       | (19)   |
| Interest                              | 180                       | —        | (180)  |
| Grants                                | 3,971                     | 3,569    | (402)  |
| Refunds                               | —                         | 4        | 4  |
| Other                                 | —                         | 36       | 36   |
| Total Revenues                        | 12,107                    | 11,436   | (671)  |
| Total Available Resources             | 21,255                    | 20,584   | (671)  |
| <b>EXPENDITURES</b>                   |                           |          |  |
| Operating expenditures:               |                           |          |  |
| Salaries and benefits                 | 3,986                     | 2,653    | 1,333  |
| Other personal services               | 190                       | 80       | 110  |
| Expenses                              | 1,156                     | 413      | 743  |
| Operating capital outlay              | 371                       | —        | 371  |
| Special categories                    | 7,329                     | 7,329    | —  |
| Data processing services              | 24                        | 24       | —  |
| Total Operating Expenditures          | 13,056                    | 10,499   | 2,557  |
| Nonoperating expenditures:            |                           |          |  |
| Other                                 | 285                       | 285      | —  |
| Total Nonoperating Expenditures       | 285                       | 285      | —  |
| Total Expenditures                    | 13,341                    | 10,784   | 2,557  |
| Fund Balances, June 30, 2021          | \$ 7,914                  | \$ 9,800 | \$ 1,886   |

**BUDGETARY COMPARISON SCHEDULES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|                                 | School for the Deaf and the Blind |          |  |
|---------------------------------|-----------------------------------|----------|--|
|                                 | Budget                            | Actual   | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020     | \$ 1,033                          | \$ 1,033 | \$ —   |
| <b>REVENUES</b>                 |                                   |          |  |
| Grants                          | 1,604                             | 1,798    | 194  |
| Transfers and distributions     | 1,828                             | 2,000    | 172  |
| Total Revenues                  | 3,432                             | 3,798    | 366  |
| Total Available Resources       | 4,465                             | 4,831    | 366  |
| <b>EXPENDITURES</b>             |                                   |          |  |
| Operating expenditures:         |                                   |          |  |
| Special categories              | 2,929                             | 2,929    | —  |
| Total Operating Expenditures    | 2,929                             | 2,929    | —  |
| Nonoperating expenditures:      |                                   |          |  |
| Transfers                       | 228                               | 228      | —  |
| Total Nonoperating Expenditures | 228                               | 228      | —  |
| Total Expenditures              | 3,157                             | 3,157    | —  |
| Fund Balances, June 30, 2021    | \$ 1,308                          | \$ 1,674 | \$ 366   |

**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|                                       | Wireless Emergency Telephone System |           |  |
|---------------------------------------|-------------------------------------|-----------|--|
|                                       | Budget                              | Actual    | Variance with<br>Final Budget<br>Positive (Negative) |
| Fund Balances, July 1, 2020           | \$ 64,734                           | \$ 64,734 | \$ —   |
| Reversions                            | 2,436                               | 2,436     | —  |
| Fund Balances, July 1, 2020, restated | 67,170                              | 67,170    | —  |
| <b>REVENUES</b>                       |                                     |           |  |
| Interest                              | 1,722                               | 1,696     | (26)   |
| Other                                 | 123,826                             | 125,500   | 1,674  |
| Total Revenues                        | 125,548                             | 127,196   | 1,648  |
| Total Available Resources             | 192,718                             | 194,366   | 1,648  |
| <b>EXPENDITURES</b>                   |                                     |           |  |
| Operating expenditures:               |                                     |           |  |
| Salaries and benefits                 | 410                                 | 389       | 21   |
| Other personal services               | 271                                 | 190       | 81   |
| Expenses                              | 455                                 | 111       | 344  |
| Grants and aids                       | 133,286                             | 117,632   | 15,654   |
| Operating capital outlay              | 4                                   | —         | 4  |
| Special categories                    | 4,662                               | 2,430     | 2,232  |
| Data processing services              | 3                                   | 3         | —  |
| Total Operating Expenditures          | 139,091                             | 120,755   | 18,336   |
| Nonoperating expenditures:            |                                     |           |  |
| Transfers                             | 788                                 | 788       | —  |
| Refunds                               | 14                                  | 14        | —  |
| Total Nonoperating Expenditures       | 802                                 | 802       | —  |
| Total Expenditures                    | 139,893                             | 121,557   | 18,336   |
| Fund Balances, June 30, 2021          | \$ 52,825                           | \$ 72,809 | \$ 19,984  |

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## **CAPITAL PROJECTS FUNDS**

### **GENERAL GOVERNMENT**

This fund includes various internal reporting capital projects funds administered by various agencies to account for resources used for the acquisition or construction of major capital facilities other than those financed by other funds.

### **TRANSPORTATION CAPITAL PROJECTS FUND**

This capital projects fund is administered by the Department of Transportation to account for resources used for eligible project costs.

### **OTHER**

This fund includes various internal reporting capital projects funds administered by other agencies.

### **FLORIDA SCHOOL FOR THE DEAF AND THE BLIND**

This capital projects fund is administered by the School for the Deaf and the Blind.



**COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | General<br>Government | Transportation<br>Capital Projects<br>Fund | Other  | School for<br>the Deaf<br>and<br>the Blind | Totals<br>6/30/21 |
|---|-----------------------|--|--------|--|-------------------|
| <b>ASSETS</b>                                 |                       |  |        |  |                   |
| <u>Current assets</u>                         |                       |  |        |  |                   |
| Pooled investments with State Treasury        | \$ 207                | \$ 188,130                                 | \$ 323 | \$ 1,877                                   | \$ 190,537        |
| Receivables, net                              | —                     | 162  | —      | —  | 162               |
| Due from other funds                          | 55,174                | —  | —      | —  | 55,174            |
| Total current assets                          | 55,381                | 188,292                                    | 323    | 1,877                                      | 245,873           |
| Total assets                                  | 55,381                | 188,292                                    | 323    | 1,877                                      | 245,873           |
| <b>LIABILITIES</b>                            |                       |  |        |  |                   |
| <u>Current liabilities</u>                    |                       |  |        |  |                   |
| Accounts payable and accrued liabilities      | 735                   | —  | —      | 962  | 1,697             |
| Due to other funds                            | —                     | 24   | —      | —  | 24                |
| Obligations under security lending agreements | —                     | 8,791                                      | —      | —  | 8,791             |
| Total current liabilities                     | 735                   | 8,815                                      | —      | 962  | 10,512            |
| Total liabilities                             | 735                   | 8,815                                      | —      | 962  | 10,512            |
| <b>FUND BALANCES</b>                          |                       |  |        |  |                   |
| Restricted                                    | —                     | 179,477                                    | —      | 910  | 180,387           |
| Committed                                     | 54,646                | —  | 323    | 5  | 54,974            |
| Total fund balances                           | 54,646                | 179,477                                    | 323    | 915  | 235,361           |
| Total liabilities and fund balances           | \$ 55,381             | \$ 188,292                                 | \$ 323 | \$ 1,877                                   | \$ 245,873        |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|  | General<br>Government | Transportation<br>Capital Projects<br>Fund | Other  | School for<br>the Deaf<br>and<br>the Blind | Totals<br>6/30/21 |
|--|-----------------------|--|--------|--|-------------------|
| <b>REVENUES</b>                                      |                       |  |        |  |                   |
| Investment earnings (losses)                         | \$ —                  | \$ (3,276)                                 | \$ —   | \$ —                                       | \$ (3,276)        |
| Total revenues                                       | —                     | (3,276)                                    | —      | —  | (3,276)           |
| <b>EXPENDITURES</b>                                  |                       |  |        |  |                   |
| Current:   |                       |  |        |  |                   |
| General government                                   | 52,489                | —  | —      | —  | 52,489            |
| Education  | —                     | —  | —      | 2,994                                      | 2,994             |
| Human services                                       | 2,587                 | —  | 58     | —  | 2,645             |
| Criminal justice and corrections                     | 60,042                | —  | —      | —  | 60,042            |
| Transportation                                       | —                     | 160  | —      | —  | 160               |
| Capital outlay                                       | 32,222                | —  | —      | 3,065                                      | 35,287            |
| Total expenditures                                   | 147,340               | 160  | 58     | 6,059                                      | 153,617           |
| Excess (deficiency) of revenues<br>over expenditures | (147,340)             | (3,436)                                    | (58)   | (6,059)                                    | (156,893)         |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                       |  |        |  |                   |
| Proceeds of bond issues                              | —                     | 188,109                                    | —      | —  | 188,109           |
| Operating transfers in                               | 134,703               | —  | —      | 6,464                                      | 141,167           |
| Operating transfers out                              | —                     | (88,093)                                   | —      | —  | (88,093)          |
| Total other financing sources (uses)                 | 134,703               | 100,016                                    | —      | 6,464                                      | 241,183           |
| Net change in fund balances                          | (12,637)              | 96,580                                     | (58)   | 405  | 84,290            |
| Fund balances - beginning                            | 67,283                | 82,897                                     | 381    | 510  | 151,071           |
| Fund balances - ending                               | \$ 54,646             | \$ 179,477                                 | \$ 323 | \$ 915                                     | \$ 235,361        |

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**DEBT SERVICE FUNDS**

**DEBT SERVICE FUND**

This fund, administered by the State Board of Administration, a blended component unit, is used to account for resources earmarked to pay principal, interest, and service charges on general long-term debt of the State.

**UNIVERSITY DEBT SERVICE FUND**

This fund is used to account for resources earmarked to pay principal, interest, and service charges on University long-term debt of the State.

**COMBINING BALANCE SHEET  
DEBT SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|                                     | Debt<br>Service<br>Fund | University<br>Debt Service<br>Fund | Totals<br>6/30/21 |
|-------------------------------------|-------------------------|------------------------------------|-------------------|
| <b>ASSETS</b>                       |                         |                                    |                   |
| <u>Current assets</u>               |                         |                                    |                   |
| Cash and cash equivalents           | \$ 2                    | \$ —                               | \$ 2              |
| Other investments                   | 32,258                  | —                                  | 32,258            |
| Receivables, net                    | 398                     | —                                  | 398               |
| Total Current Assets                | <u>32,658</u>           | <u>—</u>                           | <u>32,658</u>     |
| <u>Noncurrent assets</u>            |                         |                                    |                   |
| Long-term investments               | —                       | —                                  | —                 |
| Total noncurrent assets             | <u>—</u>                | <u>—</u>                           | <u>—</u>          |
| Total assets                        | <u>32,658</u>           | <u>—</u>                           | <u>32,658</u>     |
| <b>LIABILITIES</b>                  |                         |                                    |                   |
| <u>Current liabilities</u>          |                         |                                    |                   |
| Due to other funds                  | 44                      | —                                  | 44                |
| Total current liabilities           | <u>44</u>               | <u>—</u>                           | <u>44</u>         |
| Total liabilities                   | <u>44</u>               | <u>—</u>                           | <u>44</u>         |
| <b>FUND BALANCES</b>                |                         |                                    |                   |
| Restricted                          | 32,614                  | —                                  | 32,614            |
| Total fund balances                 | <u>32,614</u>           | <u>—</u>                           | <u>32,614</u>     |
| Total liabilities and fund balances | <u>\$ 32,658</u>        | <u>\$ —</u>                        | <u>\$ 32,658</u>  |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**DEBT SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|  | Debt<br>Service<br>Fund | University<br>Debt Service<br>Fund | Totals<br>6/30/21 |
|--|-------------------------|------------------------------------|-------------------|
| <b>REVENUES</b>                                      |                         |                                    |                   |
| Fees and charges                                     | \$ 8,897                | \$ 1,464                           | \$ 10,361         |
| Investment earnings (losses)                         | 6,225                   | 111,196                            | 117,421           |
| Other  | 259                     | —                                  | 259               |
| Total revenues                                       | 15,381                  | 112,660                            | 128,041           |
| <b>EXPENDITURES</b>                                  |                         |                                    |                   |
| Current:   |                         |                                    |                   |
| General government                                   | 1,748                   | —                                  | 1,748             |
| Debt service:  |                         |                                    |                   |
| Principal retirement                                 | 1,070,438               | 119,377                            | 1,189,815         |
| Interest and fiscal charges                          | 498,571                 | 46                                 | 498,617           |
| Total expenditures                                   | 1,570,757               | 119,423                            | 1,690,180         |
| Excess (deficiency) of revenues<br>over expenditures | (1,555,376)             | (6,763)                            | (1,562,139)       |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                         |                                    |                   |
| Proceeds of bond issues                              | 32,068                  | —                                  | 32,068            |
| Proceeds of refunding bonds                          | 1,652,077               | —                                  | 1,652,077         |
| Operating transfers in                               | 1,574,018               | —                                  | 1,574,018         |
| Operating transfers out                              | (48,612)                | —                                  | (48,612)          |
| Payments to refunded bond agent                      | (1,652,077)             | —                                  | (1,652,077)       |
| Total other financing sources (uses)                 | 1,557,474               | —                                  | 1,557,474         |
| Net change in fund balances                          | 2,098                   | (6,763)                            | (4,665)           |
| Fund balances - beginning                            | 30,516                  | 6,763                              | 37,279            |
| Fund balances - ending                               | \$ 32,614               | \$ —                               | \$ 32,614         |

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**NONMAJOR ENTERPRISE FUNDS**

**OTHER**

This category includes various internal reporting enterprise funds, most of which regulate activities and are funded by the collection of fees.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**

This blended component unit was created for the benefit of the Department of Business and Professional Regulation and the Board of Professional Engineers for the purpose of providing administrative, investigative, and prosecutorial services as provided in Section 471.038, Florida Statutes.

**SPACE FLORIDA**

Pursuant to Section 331.302, Florida Statutes, this entity was created to promote aerospace business development by facilitating business financing, spaceport operations, research and development, workforce development, and innovative education programs.



**COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Other     | FL Engineers<br>Management<br>Corp | Space<br>Florida | Totals<br>6/30/21 |
|--|-----------|------------------------------------|------------------|-------------------|
| <b>ASSETS</b>                                      |           |                                    |                  |                   |
| <u>Current assets</u>                              |           |                                    |                  |                   |
| Cash and cash equivalents                          | \$ 4,773  | \$ 269                             | \$ 28,517        | \$ 33,559         |
| Pooled investments with State Treasury             | 416,024   | —                                  | —                | 416,024           |
| Other investments                                  | 9,288     | —                                  | 3,826            | 13,114            |
| Receivables, net                                   | 2,487     | —                                  | 38,328           | 40,815            |
| Due from other funds                               | 13,009    | —                                  | —                | 13,009            |
| Due from component units/primary                   | 98        | —                                  | —                | 98                |
| Inventories  | 1         | —                                  | —                | 1                 |
| Other  | 2         | 55                                 | 1,718            | 1,775             |
| Total current assets                               | 445,682   | 324                                | 72,389           | 518,395           |
| <u>Noncurrent assets</u>                           |           |                                    |                  |                   |
| Long-term investments                              | 62,370    | —                                  | —                | 62,370            |
| Other loans and notes receivable, net              | —         | —                                  | 3,088            | 3,088             |
| <u>Capital assets</u>                              |           |                                    |                  |                   |
| Buildings, equipment, and other depreciable assets | 32,680    | 463                                | 303,949          | 337,092           |
| Accumulated depreciation                           | (27,055)  | (385)                              | (63,270)         | (90,710)          |
| Construction work in progress                      | 256       | —                                  | 686              | 942               |
| Other  | —         | —                                  | 12,454           | 12,454            |
| Total noncurrent assets                            | 68,251    | 78                                 | 256,907          | 325,236           |
| Total assets                                       | 513,933   | 402                                | 329,296          | 843,631           |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |           |                                    |                  |                   |
| Pension-related items                              | 50,294    | —                                  | —                | 50,294            |
| Other postemployment benefits                      | 31,871    | —                                  | —                | 31,871            |
| Total deferred outflows of resources               | 82,165    | —                                  | —                | 82,165            |
| <b>LIABILITIES</b>                                 |           |                                    |                  |                   |
| <u>Current liabilities</u>                         |           |                                    |                  |                   |
| Accounts payable and accrued liabilities           | 9,476     | 170                                | 38,569           | 48,215            |
| Due to other governments                           | 1         | —                                  | —                | 1                 |
| Due to other funds                                 | 11,031    | —                                  | —                | 11,031            |
| Due to component units/primary                     | —         | 98                                 | —                | 98                |
| Compensated absences                               | 5,965     | —                                  | 185              | 6,150             |
| Installment purchases/capital leases               | —         | —                                  | 1,060            | 1,060             |
| Deposits   | 21,462    | —                                  | 2,659            | 24,121            |
| Obligations under security lending agreements      | 15,905    | —                                  | —                | 15,905            |
| Pension liability                                  | 440       | —                                  | —                | 440               |
| Other postemployment benefits liability            | 2,547     | —                                  | —                | 2,547             |
| Total current liabilities                          | 66,827    | 268                                | 42,473           | 109,568           |
| <u>Noncurrent liabilities</u>                      |           |                                    |                  |                   |
| Deposits   | 44,242    | —                                  | 121,132          | 165,374           |
| Installment purchases/capital leases               | —         | —                                  | 6,522            | 6,522             |
| Compensated absences                               | 18,209    | —                                  | 168              | 18,377            |
| Pension liability                                  | 146,198   | —                                  | —                | 146,198           |
| Other postemployment benefits liability            | 154,427   | —                                  | —                | 154,427           |
| Other  | —         | —                                  | 10,499           | 10,499            |
| Total noncurrent liabilities                       | 363,076   | —                                  | 138,321          | 501,397           |
| Total liabilities                                  | 429,903   | 268                                | 180,794          | 610,965           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |           |                                    |                  |                   |
| Pension-related items                              | 8,514     | —                                  | —                | 8,514             |
| Other postemployment benefits                      | 79,421    | —                                  | —                | 79,421            |
| Total deferred inflows of resources                | 87,935    | —                                  | —                | 87,935            |
| <b>NET POSITION</b>                                |           |                                    |                  |                   |
| Net investment in capital assets                   | 5,881     | 78                                 | 110,089          | 116,048           |
| Restricted - other                                 | —         | 55                                 | 4,161            | 4,216             |
| Unrestricted                                       | 72,379    | 1                                  | 34,252           | 106,632           |
| Total net position                                 | \$ 78,260 | \$ 134                             | \$ 148,502       | \$ 226,896        |

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Other     | FL Engineers<br>Management<br>Corp | Space<br>Florida | Totals<br>6/30/21 |
|--|-----------|------------------------------------|------------------|-------------------|
| <b>OPERATING REVENUES</b>                            |           |                                    |                  |                   |
| Sales - nonstate                                     | \$ 95,064 | \$ —                               | \$ 9,809         | \$ 104,873        |
| Fees   | 280,672   | 1,961                              | —                | 282,633           |
| Sales - state  | 46,832    | —                                  | —                | 46,832            |
| Rents - state  | 53        | —                                  | —                | 53                |
| Fines, forfeits, settlements and judgments           | 7,383     | —                                  | —                | 7,383             |
| Other  | 20        | —                                  | 57,555           | 57,575            |
| Total operating revenues                             | 430,024   | 1,961                              | 67,364           | 499,349           |
| <b>OPERATING EXPENSES</b>                            |           |                                    |                  |                   |
| Contractual services                                 | 87,341    | 399                                | 49,419           | 137,159           |
| Personal services                                    | 214,779   | 1,238                              | 9,332            | 225,349           |
| Depreciation   | 2,256     | 30                                 | 11,444           | 13,730            |
| Materials and supplies                               | 4,956     | 36                                 | —                | 4,992             |
| Repairs and maintenance                              | 1,879     | 14                                 | —                | 1,893             |
| Basic services                                       | 29,731    | 245                                | —                | 29,976            |
| Interest and fiscal charges                          | 2,671     | —                                  | —                | 2,671             |
| Total operating expenses                             | 343,613   | 1,962                              | 70,195           | 415,770           |
| Operating income (loss)                              | 86,411    | (1)                                | (2,831)          | 83,579            |
| <b>NONOPERATING REVENUES (EXPENSES)</b>              |           |                                    |                  |                   |
| Grants and donations                                 | 1,051     | —                                  | 999              | 2,050             |
| Investment earnings (losses)                         | (8,004)   | —                                  | 223              | (7,781)           |
| Interest and fiscal charges                          | (395)     | —                                  | (860)            | (1,255)           |
| Property disposition gain (loss)                     | (56)      | —                                  | 191              | 135               |
| Grant expense and client benefits                    | (1,367)   | —                                  | —                | (1,367)           |
| Other  | (103)     | —                                  | (1,487)          | (1,590)           |
| Total nonoperating revenues (expenses)               | (8,874)   | —                                  | (934)            | (9,808)           |
| Income (loss) before transfers<br>and contributions  | 77,537    | (1)                                | (3,765)          | 73,771            |
| Operating transfers in                               | 26,347    | —                                  | —                | 26,347            |
| Operating transfers out                              | (111,305) | —                                  | —                | (111,305)         |
| Change in net position                               | (7,421)   | (1)                                | (3,765)          | (11,187)          |
| Total net position - beginning, as restated (Note 1) | 85,681    | 135                                | 152,267          | 238,083           |
| Total net position - ending                          | \$ 78,260 | \$ 134                             | \$ 148,502       | \$ 226,896        |

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Other      | FL Engineers<br>Management<br>Corp | Space<br>Florida | Totals<br>6/30/21 |
|--|------------|------------------------------------|------------------|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                          |            |                                    |                  |                   |
| Cash received from customers   | \$ 435,873 | \$ 2,067                           | \$ 10,432        | \$ 448,372        |
| Cash paid to vendors   | (122,987)  | (897)                              | (53,730)         | (177,614)         |
| Cash paid to employees   | (193,068)  | (1,211)                            | (4,550)          | (198,829)         |
| Cash received/(paid) for grants                                      | (1,250)    | —                                  | 47,880           | 46,630            |
| Net cash provided (used) by operating activities                     | 118,568    | (41)                               | 32               | 118,559           |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING<br/>ACTIVITIES</b>           |            |                                    |                  |                   |
| Transfers in (out)   | (86,261)   | —                                  | —                | (86,261)          |
| Cash received from noncapital grants or donations                    | 728        | —                                  | —                | 728               |
| Net cash provided (used) by noncapital financing activities          | (85,533)   | —                                  | —                | (85,533)          |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING<br/>ACTIVITIES</b>  |            |                                    |                  |                   |
| Cash received from sale or lease of capital assets                   | —          | —                                  | 191              | 191               |
| Cash received from the issuance of debt                              | —          | —                                  | 138              | 138               |
| Cash received from capital grants and donations                      | —          | —                                  | 999              | 999               |
| Payment of interest on bonds/installment purchase/capital lease      | —          | —                                  | (773)            | (773)             |
| Purchase or construction of capital assets                           | (628)      | (25)                               | (1,404)          | (2,057)           |
| Net cash provided (used) by capital and related financing activities | (628)      | (25)                               | (849)            | (1,502)           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                          |            |                                    |                  |                   |
| Security lending   | (2,695)    | —                                  | —                | (2,695)           |
| Proceeds from the sale or maturity of investments                    | 78,958     | —                                  | —                | 78,958            |
| Investment earnings  | (8,245)    | —                                  | 223              | (8,022)           |
| Purchase of investments  | (79,971)   | —                                  | (909)            | (80,880)          |
| Net cash provided (used) by investing activities                     | (11,953)   | —                                  | (686)            | (12,639)          |
| Net increase (decrease) in cash and cash equivalents                 | 20,454     | (66)                               | (1,503)          | 18,885            |
| Cash and cash equivalents - beginning                                | 400,343    | 335                                | 30,020           | 430,698           |
| Cash and cash equivalents - ending                                   | \$ 420,797 | \$ 269                             | \$ 28,517        | \$ 449,583        |

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

**Reconciliation of operating income (loss) to net cash  
provided (used) by operating activities**

|   | Other             | FL Engineers<br>Management<br>Corp | Space<br>Florida | Totals<br>6/30/21 |
|---|-------------------|------------------------------------|------------------|-------------------|
| Operating income (loss)   | \$ 86,411         | \$ (1)                             | \$ (2,831)       | \$ 83,579         |
| Adjustment to reconcile operating income (loss) to net cash provided<br>(used) by operating activities: |                   |                                    |                  |                   |
| Depreciation and amortization expense   | 2,256             | 30                                 | 11,444           | 13,730            |
| Changes in assets and liabilities:  |                   |                                    |                  |                   |
| (Increase) decrease in accounts receivable  | (3,961)           | 24                                 | (107)            | (4,044)           |
| (Increase) decrease in due from other funds   | (1,153)           | —                                  | (9,675)          | (10,828)          |
| Increase (decrease) in allowance for uncollectibles   | 4,662             | —                                  | 46               | 4,708             |
| (Increase) decrease in other non-current assets   | (1)               | —                                  | (7,958)          | (7,959)           |
| Increase (decrease) in accounts payable   | 3,379             | (92)                               | 3,253            | 6,540             |
| Increase (decrease) in compensated absences   | 2,463             | —                                  | 69               | 2,532             |
| Increase (decrease) in due to other funds   | 1,933             | —                                  | —                | 1,933             |
| Increase (decrease) in other non-current liability  | (1,103)           | —                                  | 9,050            | 7,947             |
| (Increase) decrease in deposits and prepaid items   | 25                | (2)                                | (433)            | (410)             |
| Increase (decrease) in unearned revenue   | 6,502             | —                                  | (2,826)          | 3,676             |
| Increase (decrease) in pension liability and deferrals  | 14,014            | —                                  | —                | 14,014            |
| Increase (decrease) in OPEB liability and deferrals   | 3,141             | —                                  | —                | 3,141             |
| Net cash provided (used) by operating activities  | <u>\$ 118,568</u> | <u>\$ (41)</u>                     | <u>\$ 32</u>     | <u>\$ 118,559</u> |

**Noncash investing, capital, and financing activities**

|                                     |           |      |        |           |
|-------------------------------------|-----------|------|--------|-----------|
| Change in fair value of investments | \$ 13,833 | \$ — | \$ 420 | \$ 14,253 |
| Other noncash items                 | —         | —    | 88     | 88        |

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## INTERNAL SERVICE FUNDS

### EMPLOYEE HEALTH AND DISABILITY

These funds are administered by the Department of Management Services and are used primarily to account for health and disability plans for employees of the state.

### DATA CENTERS

These funds are used to account for services provided by data processing centers operated by various agencies.

### COMMUNICATIONS AND FACILITIES

These funds are administered by the Department of Management Services primarily to account for services provided to other state agencies, such as those related to the construction, operation, and maintenance of public facilities, and management and operation of the SUNCOM (state communication) Network.

### OTHER

These funds are administered by various agencies primarily to account for services provided to other state agencies, such as legal services, records management, and community services (inmate work squads).

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Employee<br>Health and<br>Disability | Data<br>Centers | Communications<br>and<br>Facilities | Other        | Totals<br>6/30/21 |
|--|--------------------------------------|-----------------|-------------------------------------|--------------|-------------------|
| <b>ASSETS</b>                                      |                                      |                 |                                     |              |                   |
| <u>Current assets</u>                              |                                      |                 |                                     |              |                   |
| Cash and cash equivalents                          | \$ 16,703                            | \$ —            | \$ 11,602                           | \$ 5         | \$ 28,310         |
| Pooled investments with State Treasury             | 765,998                              | 13,350          | 97,443                              | 7,282        | 884,073           |
| Other investments                                  | —                                    | —               | 32,459                              | —            | 32,459            |
| Receivables, net                                   | 31,785                               | 10              | 9,855                               | 1,508        | 43,158            |
| Due from other funds                               | 453                                  | 2,297           | 12,704                              | 2,758        | 18,212            |
| Due from component units/primary                   | —                                    | —               | 1,228                               | —            | 1,228             |
| Total current assets                               | 814,939                              | 15,657          | 165,291                             | 11,553       | 1,007,440         |
| <u>Noncurrent assets</u>                           |                                      |                 |                                     |              |                   |
| Capital assets                                     |                                      |                 |                                     |              |                   |
| Land and other non-depreciable assets              | —                                    | —               | 313                                 | 1            | 314               |
| Buildings, equipment, and other depreciable assets | 51                                   | 35,820          | 1,542,344                           | 3,926        | 1,582,141         |
| Accumulated depreciation                           | (34)                                 | (34,704)        | (651,711)                           | (3,331)      | (689,780)         |
| Construction work in progress                      | —                                    | —               | 21,610                              | —            | 21,610            |
| Total noncurrent assets                            | 17                                   | 1,116           | 912,556                             | 596          | 914,285           |
| Total assets                                       | 814,956                              | 16,773          | 1,077,847                           | 12,149       | 1,921,725         |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |                                      |                 |                                     |              |                   |
| Amount deferred on refunding of debt               | —                                    | —               | 3,040                               | —            | 3,040             |
| Pension-related items                              | 503                                  | 8,871           | 6,686                               | 27,598       | 43,658            |
| Other postemployment benefits                      | 616                                  | 14,832          | 3,732                               | 7,843        | 27,023            |
| Total deferred outflows of resources               | 1,119                                | 23,703          | 13,458                              | 35,441       | 73,721            |
| <b>LIABILITIES</b>                                 |                                      |                 |                                     |              |                   |
| <u>Current liabilities</u>                         |                                      |                 |                                     |              |                   |
| Accounts payable and accrued liabilities           | 226,980                              | 693             | 11,402                              | 2,111        | 241,186           |
| Due to other funds                                 | 34,001                               | 38              | 58                                  | 1,357        | 35,454            |
| Compensated absences                               | 74                                   | 512             | 599                                 | 709          | 1,894             |
| Installment purchases/capital leases               | —                                    | —               | 979                                 | —            | 979               |
| Bonds payable                                      | —                                    | —               | 13,510                              | —            | 13,510            |
| Deposits   | 226,362                              | —               | 2,684                               | 972          | 230,018           |
| Obligations under security lending agreements      | 29,999                               | 192             | 2,673                               | 76           | 32,940            |
| Certificates of participation payable              | —                                    | —               | 28,515                              | —            | 28,515            |
| Pension liability                                  | 4                                    | 42              | 50                                  | 115          | 211               |
| Other postemployment benefits liability            | 21                                   | 182             | 333                                 | 755          | 1,291             |
| Total current liabilities                          | 517,441                              | 1,659           | 60,803                              | 6,095        | 585,998           |
| <u>Noncurrent liabilities</u>                      |                                      |                 |                                     |              |                   |
| Advances from other funds                          | —                                    | —               | 500                                 | —            | 500               |
| Bonds payable                                      | —                                    | —               | 142,170                             | —            | 142,170           |
| Certificates of participation payable              | —                                    | —               | 258,175                             | —            | 258,175           |
| Installment purchases/capital leases               | —                                    | —               | 2,241                               | —            | 2,241             |
| Compensated absences                               | 129                                  | 2,171           | 1,801                               | 3,080        | 7,181             |
| Pension liability                                  | 1,515                                | 12,552          | 15,766                              | 81,197       | 111,030           |
| Other postemployment benefits liability            | 1,299                                | 11,010          | 20,209                              | 45,752       | 78,270            |
| Total noncurrent liabilities                       | 2,943                                | 25,733          | 440,862                             | 130,029      | 599,567           |
| Total liabilities                                  | 520,384                              | 27,392          | 501,665                             | 136,124      | 1,185,565         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |                                      |                 |                                     |              |                   |
| Amount deferred on refunding of debt               | —                                    | —               | 6,260                               | —            | 6,260             |
| Pension-related items                              | 454                                  | 9,593           | 1,089                               | 4,155        | 15,291            |
| Other postemployment benefits                      | 854                                  | 19,892          | 11,311                              | 27,469       | 59,526            |
| Total deferred inflows of resources                | 1,308                                | 29,485          | 18,660                              | 31,624       | 81,077            |
| <b>NET POSITION</b>                                |                                      |                 |                                     |              |                   |
| Net investment in capital assets                   | 17                                   | 1,116           | 466,966                             | 596          | 468,695           |
| Restricted - other                                 | —                                    | —               | 43,494                              | —            | 43,494            |
| Unrestricted                                       | 294,366                              | (17,517)        | 60,520                              | (120,754)    | 216,615           |
| Total net position                                 | \$ 294,383                           | \$ (16,401)     | \$ 570,980                          | \$ (120,158) | \$ 728,804        |

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**

|  | Employee<br>Health and<br>Disability | Data<br>Centers | Communications<br>and<br>Facilities | Other        | Totals<br>6/30/21 |
|--|--------------------------------------|-----------------|-------------------------------------|--------------|-------------------|
| <b>OPERATING REVENUES</b>                            |                                      |                 |                                     |              |                   |
| Sales - nonstate                                     | \$ —                                 | \$ 81           | \$ 40,905                           | \$ 4,128     | \$ 45,114         |
| Fees   | —                                    | —               | —                                   | —            | —                 |
| Sales - state  | 2,531,784                            | 73,541          | 127,854                             | 45,983       | 2,779,162         |
| Rents - state  | —                                    | —               | 141,261                             | —            | 141,261           |
| Fines, forfeits, settlements and judgments           | —                                    | —               | —                                   | 15           | 15                |
| Other  | 18,298                               | —               | —                                   | 1            | 18,299            |
| Total operating revenues                             | 2,550,082                            | 73,622          | 310,020                             | 50,127       | 2,983,851         |
| <b>OPERATING EXPENSES</b>                            |                                      |                 |                                     |              |                   |
| Contractual services                                 | 410,158                              | 44,336          | 142,998                             | 10,325       | 607,817           |
| Insurance claims expense                             | 2,181,125                            | —               | —                                   | —            | 2,181,125         |
| Personal services                                    | 7,578                                | 25,929          | 56,266                              | 39,361       | 129,134           |
| Depreciation   | 4                                    | 1,849           | 32,870                              | 237          | 34,960            |
| Materials and supplies                               | 107                                  | 239             | 1,001                               | 1,588        | 2,935             |
| Repairs and maintenance                              | —                                    | 541             | 1,428                               | —            | 1,969             |
| Basic services                                       | 120                                  | 1,257           | 3,040                               | 3,351        | 7,768             |
| Interest and fiscal charges                          | —                                    | —               | 1                                   | —            | 1                 |
| Total operating expenses                             | 2,599,092                            | 74,151          | 237,604                             | 54,862       | 2,965,709         |
| Operating income (loss)                              | (49,010)                             | (529)           | 72,416                              | (4,735)      | 18,142            |
| <b>NONOPERATING REVENUES/(EXPENSES)</b>              |                                      |                 |                                     |              |                   |
| Grants and donations                                 | 46                                   | 382             | 1,482                               | 289          | 2,199             |
| Investment earnings (losses)                         | (15,138)                             | (102)           | (1,392)                             | (52)         | (16,684)          |
| Interest and fiscal charges                          | (696)                                | (12)            | (10,017)                            | (1)          | (10,726)          |
| Property disposition gain (loss)                     | —                                    | (17)            | (4,295)                             | (2)          | (4,314)           |
| Total nonoperating revenues (expenses)               | (15,788)                             | 251             | (14,222)                            | 234          | (29,525)          |
| Income (loss) before transfers<br>and contributions  | (64,798)                             | (278)           | 58,194                              | (4,501)      | (11,383)          |
| Operating transfers in                               | 20,620                               | —               | 1,551                               | —            | 22,171            |
| Operating transfers out                              | (1,874)                              | (828)           | (16,943)                            | (1,832)      | (21,477)          |
| Capital contributions                                | 11                                   | 3               | 48                                  | 18           | 80                |
| Change in net position                               | (46,041)                             | (1,103)         | 42,850                              | (6,315)      | (10,609)          |
| Total net position - beginning, as restated (Note 1) | 340,424                              | (15,298)        | 528,130                             | (113,843)    | 739,413           |
| Total net position - ending                          | \$ 294,383                           | \$ (16,401)     | \$ 570,980                          | \$ (120,158) | \$ 728,804        |



**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Employee<br>Health and<br>Disability | Data<br>Centers | Communications<br>and<br>Facilities |
|--|--------------------------------------|-----------------|-------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                          |                                      |                 |                                     |
| Cash received from customers   | \$ 2,594,800                         | \$ 73,624       | \$ 321,233                          |
| Cash paid to vendors   | (406,938)                            | (49,273)        | (169,504)                           |
| Cash paid to employees   | (7,424)                              | (22,395)        | (56,619)                            |
| Cash received/(paid) for grants                                      | (256)                                | —               | —                                   |
| Cash paid for insurance claims                                       | (2,140,548)                          | —               | —                                   |
| Net cash provided (used) by operating activities                     | 39,634                               | 1,956           | 95,110                              |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>               |                                      |                 |                                     |
| Transfers in (out)   | 41,943                               | 143             | (12,137)                            |
| Cash received from noncapital grants or donations                    | 45                                   | 87              | 993                                 |
| Net cash provided (used) by noncapital financing activities          | 41,988                               | 230             | (11,144)                            |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>      |                                      |                 |                                     |
| Cash received from sale or lease of capital assets                   | —                                    | —               | —                                   |
| Payment of bond principal  | —                                    | —               | (52,799)                            |
| Payment of principal on installment purchase/capital lease           | —                                    | —               | (5,141)                             |
| Payment of interest on bonds/installment purchase/capital lease      | —                                    | —               | (7,226)                             |
| Purchase or construction of capital assets                           | (11)                                 | (1,781)         | (769)                               |
| Net cash provided (used) by capital and related financing activities | (11)                                 | (1,781)         | (65,935)                            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                          |                                      |                 |                                     |
| Security lending   | (2,974)                              | (242)           | (966)                               |
| Investment earnings  | (15,202)                             | (112)           | (1,570)                             |
| Net cash provided (used) by investing activities                     | (18,176)                             | (354)           | (2,536)                             |
| Net increase (decrease) in cash and cash equivalents                 | 63,435                               | 51              | 15,495                              |
| Cash and cash equivalents - beginning                                | 719,266                              | 13,299          | 93,550                              |
| Cash and cash equivalents - ending                                   | \$ 782,701                           | \$ 13,350       | \$ 109,045                          |

| Other     | Totals<br>6/30/21 |
|-----------|-------------------|
| \$ 51,686 | \$ 3,041,343      |
| (15,108)  | (640,823)         |
| (32,465)  | (118,903)         |
| —         | (256)             |
| —         | (2,140,548)       |
| 4,113     | 140,813           |
| (1,881)   | 28,068            |
| 31        | 1,156             |
| (1,850)   | 29,224            |
| 1         | 1                 |
| —         | (52,799)          |
| —         | (5,141)           |
| —         | (7,226)           |
| (172)     | (2,733)           |
| (171)     | (67,898)          |
| (15)      | (4,197)           |
| (53)      | (16,937)          |
| (68)      | (21,134)          |
| 2,024     | 81,005            |
| 5,263     | 831,378           |
| \$ 7,287  | \$ 912,383        |

**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(in thousands)**  
**Reconciliation of operating income (loss) to net cash**  
**provided (used) by operating activities**

|  | Employee<br>Health and<br>Disability | Data<br>Centers | Communications<br>and<br>Facilities |
|--|--------------------------------------|-----------------|-------------------------------------|
| Operating income (loss)  | \$ (49,010)                          | \$ (529)        | \$ 72,416                           |
| Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities: |                                      |                 |                                     |
| Depreciation and amortization expense  | 4                                    | 1,849           | 32,870                              |
| Changes in assets and liabilities:   |                                      |                 |                                     |
| (Increase) decrease in accounts receivable   | 35,707                               | 3               | 11,737                              |
| (Increase) decrease in due from other funds  | —                                    | —               | —                                   |
| Increase (decrease) in allowance for uncollectibles  | (680)                                | (2)             | —                                   |
| Increase (decrease) in accounts payable  | 43,777                               | (2,890)         | (21,011)                            |
| Increase (decrease) in compensated absences  | 62                                   | 29              | 194                                 |
| Increase (decrease) in due to other funds  | —                                    | (12)            | —                                   |
| Increase (decrease) in unearned revenue  | 9,691                                | —               | (526)                               |
| Increase (decrease) in pension liability and deferrals   | 28                                   | 3,522           | (781)                               |
| Increase (decrease) in OPEB liability and deferrals  | 55                                   | (14)            | 211                                 |
| Net cash provided (used) by operating activities   | <u>\$ 39,634</u>                     | <u>\$ 1,956</u> | <u>\$ 95,110</u>                    |
| <b>Noncash investing, capital, and financing activities</b>  |                                      |                 |                                     |
| Change in fair value of investments  | \$ 25,121                            | \$ 263          | \$ 2,561                            |

| Other           | Totals<br>6/30/21 |
|-----------------|-------------------|
| \$ (4,735)      | \$ 18,142         |
| 237             | 34,960            |
| (1,459)         | 45,988            |
| 2,060           | 2,060             |
| —               | (682)             |
| 740             | 20,616            |
| (3,205)         | (2,920)           |
| (60)            | (72)              |
| 817             | 9,982             |
| 9,507           | 12,276            |
| 211             | 463               |
| <u>\$ 4,113</u> | <u>\$ 140,813</u> |

\$ 67 \$ 28,012

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## **PRIVATE-PURPOSE TRUST FUNDS**

### **TRUST ESCROW ADMINISTRATION**

These funds administered by the Department of Financial Services are used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

### **UNCLAIMED PROPERTY**

This fund includes the internal reporting funds administered by the Department of Financial Services that are used to account for unclaimed property pursuant to Section 717.123, Florida Statutes.

### **STUDENT LOAN GUARANTY RESERVE**

This fund administered by the Department of Education is used to account for federally guaranteed loans to Florida citizens to pay for higher education.

### **COLLEGE SAVINGS PLAN**

This fund, administered by the State Board of Administration, is used to account for contributions from participants of the College Savings Plan as authorized by Section 1009.981, Florida Statutes. Participant contributions are collected and invested in accordance with the Plan provisions and participant direction.

### **OTHER**

This category includes other internal reporting funds administered by various agencies that are used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Trust<br>Escrow<br>Administration | Unclaimed<br>Property | Student<br>Loan Guaranty<br>Reserve | Other     |
|--|-----------------------------------|-----------------------|-------------------------------------|-----------|
| <b>ASSETS</b>  |                                   |                       |                                     |           |
| Cash and cash equivalents  | \$ —                              | \$ 189                | \$ —                                | \$ 6,106  |
| Pooled investments with State Treasury                           | 617,425                           | 45,615                | 47,861                              | 1,273     |
| Total cash and cash equivalents                                  | 617,425                           | 45,804                | 47,861                              | 7,379     |
| <u>Investments</u>   |                                   |                       |                                     |           |
| U.S. government & federally guaranteed obligations               | —                                 | —                     | —                                   | 32,907    |
| Federal agencies   | —                                 | —                     | —                                   | —         |
| Bonds and notes  | —                                 | —                     | —                                   | —         |
| International bonds and notes                                    | —                                 | —                     | —                                   | —         |
| Mutual fund investments  | —                                 | —                     | —                                   | 35,273    |
| Money market and short-term investments                          | —                                 | —                     | —                                   | 9,317     |
| Domestic equity  | —                                 | 6,800                 | —                                   | —         |
| Total investments  | —                                 | 6,800                 | —                                   | 77,497    |
| <u>Receivables</u>   |                                   |                       |                                     |           |
| Accounts receivable  | —                                 | 280                   | —                                   | 67        |
| Interest receivable  | 1,893                             | 2                     | 28                                  | 401       |
| Dividends receivable   | —                                 | —                     | —                                   | 17        |
| Pending investment sales   | —                                 | —                     | —                                   | 312       |
| Due from state funds   | —                                 | —                     | —                                   | 522       |
| Due from other governments                                       | —                                 | —                     | 3,285                               | —         |
| Total receivables  | 1,893                             | 282                   | 3,313                               | 1,319     |
| Advances to other funds  | —                                 | 1,111,439             | —                                   | —         |
| Capital assets   | —                                 | 328                   | —                                   | —         |
| Accumulated depreciation   | —                                 | (245)                 | —                                   | —         |
| Other assets   | —                                 | —                     | —                                   | —         |
| Total assets   | 619,318                           | 1,164,408             | 51,174                              | 86,195    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                            |                                   |                       |                                     |           |
| Pension-related items  | —                                 | 1,896                 | —                                   | —         |
| Other postemployment benefits                                    | —                                 | 818                   | —                                   | —         |
| Total deferred outflows of resources                             | —                                 | 2,714                 | —                                   | —         |
| <b>LIABILITIES</b>   |                                   |                       |                                     |           |
| Accounts payable and accrued liabilities                         | —                                 | 6,800                 | —                                   | 323       |
| Due to other funds   | 214                               | 5                     | 4,808                               | 3         |
| Pending investment purchases                                     | —                                 | —                     | —                                   | 303       |
| Due to other governments   | —                                 | —                     | 14,330                              | —         |
| Obligations under security lending agreements                    | 39,824                            | 112                   | 1,457                               | —         |
| Claims payable   | —                                 | —                     | 423                                 | —         |
| Deposits payable   | 340                               | —                     | —                                   | 524       |
| Compensated absences   | —                                 | 639                   | —                                   | —         |
| Pension liability  | —                                 | 3,271                 | —                                   | —         |
| Other postemployment benefits liability                          | —                                 | 4,310                 | —                                   | —         |
| Total liabilities  | 40,378                            | 15,137                | 21,018                              | 1,153     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                             |                                   |                       |                                     |           |
| Pension-related items  | —                                 | 190                   | —                                   | —         |
| Other postemployment benefits                                    | —                                 | 2,271                 | —                                   | —         |
| Total deferred inflows of resources                              | —                                 | 2,461                 | —                                   | —         |
| <b>NET POSITION</b>  |                                   |                       |                                     |           |
| Restricted for individuals, organizations, and other governments | \$ 578,940                        | \$ 1,149,524          | \$ 30,156                           | \$ 85,042 |

| College<br>Savings Plan | Totals<br>6/30/21   |
|-------------------------|---------------------|
| \$ 638                  | \$ 6,933            |
| —                       | 712,174             |
| <u>638</u>              | <u>719,107</u>      |
| 51,887                  | 84,794              |
| 73,673                  | 73,673              |
| 124,673                 | 124,673             |
| 23,616                  | 23,616              |
| 664,204                 | 699,477             |
| 145,955                 | 155,272             |
| —                       | 6,800               |
| <u>1,084,008</u>        | <u>1,168,305</u>    |
| 15                      | 362                 |
| 1,428                   | 3,752               |
| 170                     | 187                 |
| 19,484                  | 19,796              |
| 45,901                  | 46,423              |
| —                       | 3,285               |
| <u>66,998</u>           | <u>73,805</u>       |
| —                       | 1,111,439           |
| 6                       | 334                 |
| (4)                     | (249)               |
| 64                      | 64                  |
| <u>1,151,710</u>        | <u>3,072,805</u>    |
| —                       | 1,896               |
| —                       | 818                 |
| <u>—</u>                | <u>2,714</u>        |
| 1,244                   | 8,367               |
| 98                      | 5,128               |
| 82,818                  | 83,121              |
| —                       | 14,330              |
| —                       | 41,393              |
| —                       | 423                 |
| 42,369                  | 43,233              |
| 147                     | 786                 |
| —                       | 3,271               |
| —                       | 4,310               |
| <u>126,676</u>          | <u>204,362</u>      |
| —                       | 190                 |
| —                       | 2,271               |
| <u>—</u>                | <u>2,461</u>        |
| <u>\$ 1,025,034</u>     | <u>\$ 2,868,696</u> |



**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | Trust<br>Escrow<br>Administration | Unclaimed<br>Property | Student<br>Loan Guaranty<br>Reserve | Other     |
|---|-----------------------------------|-----------------------|-------------------------------------|-----------|
| <b>ADDITIONS</b>                                    |                                   |                       |                                     |           |
| <u>Contributions and other deposits</u>             |                                   |                       |                                     |           |
| Fees  | \$ —                              | \$ —                  | \$ —                                | \$ 70     |
| Grants and contributions                            | —                                 | 9                     | 28,835                              | —         |
| Fines, forfeits, settlements and judgments          | —                                 | 192                   | —                                   | —         |
| Unclaimed property remittances                      | —                                 | 679,610               | —                                   | —         |
| Receivership assets acquired                        | —                                 | —                     | —                                   | —         |
| Transfers in from state funds                       | —                                 | —                     | —                                   | 1,770     |
| Total contributions and other deposits              | —                                 | 679,811               | 28,835                              | 1,840     |
| <u>Investment income</u>                            |                                   |                       |                                     |           |
| Interest income                                     | (21,792)                          | (63)                  | (716)                               | 832       |
| Dividends   | —                                 | —                     | —                                   | 465       |
| Net increase (decrease) in fair market value        | —                                 | —                     | —                                   | 5,434     |
| Total investment income (loss)                      | (21,792)                          | (63)                  | (716)                               | 6,731     |
| Investment activity expense                         | (1,860)                           | (152)                 | —                                   | (14)      |
| Net income (loss) from investing activity           | (23,652)                          | (215)                 | (716)                               | 6,717     |
| Total net investment income (loss)                  | (23,652)                          | (215)                 | (716)                               | 6,717     |
| Other additions                                     | —                                 | 1,837                 | 1,763                               | 1,783,473 |
| Total additions                                     | (23,652)                          | 681,433               | 29,882                              | 1,792,030 |
| <b>DEDUCTIONS</b>                                   |                                   |                       |                                     |           |
| Interest expense                                    | 534                               | 3                     | 34                                  | —         |
| Student loan default payments                       | —                                 | —                     | 29,661                              | —         |
| Payments to unclaimed property claimants            | —                                 | 343,550               | —                                   | —         |
| Distribution to State School Fund                   | —                                 | 203,794               | —                                   | —         |
| Administrative expense                              | —                                 | 4,673                 | —                                   | 1,783     |
| Transfers out to state funds                        | —                                 | 4,147                 | 8                                   | 2         |
| Other deductions                                    | —                                 | 801                   | 1,184                               | 1,792,993 |
| Total deductions                                    | 534                               | 556,968               | 30,887                              | 1,794,778 |
| <u>Depositor activity</u>                           |                                   |                       |                                     |           |
| Deposits  | 512,730                           | —                     | —                                   | 21,384    |
| Withdrawals   | (263,299)                         | —                     | —                                   | —         |
| Excess (deficiency) of deposits over<br>withdrawals | 249,431                           | —                     | —                                   | 21,384    |
| Change in net position                              | 225,245                           | 124,465               | (1,005)                             | 18,636    |
| Net position - beginning                            | 353,695                           | 1,025,059             | 31,161                              | 66,406    |
| Net position - ending                               | \$ 578,940                        | \$ 1,149,524          | \$ 30,156                           | \$ 85,042 |

| College<br>Savings Plan | Totals<br>6/30/21   |
|-------------------------|---------------------|
| \$ 799                  | \$ 869              |
| 133,122                 | 161,966             |
| —                       | 192                 |
| —                       | 679,610             |
| —                       | —                   |
| 7,907                   | 9,677               |
| <u>141,828</u>          | <u>852,314</u>      |
| 8,939                   | (12,800)            |
| 8,281                   | 8,746               |
| <u>161,790</u>          | <u>167,224</u>      |
| 179,010                 | 163,170             |
| (625)                   | (2,651)             |
| <u>178,385</u>          | <u>160,519</u>      |
| 178,385                 | 160,519             |
| —                       | 1,787,073           |
| <u>320,213</u>          | <u>2,799,906</u>    |
| —                       | 571                 |
| —                       | 29,661              |
| —                       | 343,550             |
| —                       | 203,794             |
| 4,241                   | 10,697              |
| —                       | 4,157               |
| 53,169                  | 1,848,147           |
| <u>57,410</u>           | <u>2,440,577</u>    |
| —                       | 534,114             |
| —                       | (263,299)           |
| —                       | 270,815             |
| <u>262,803</u>          | <u>630,144</u>      |
| 762,231                 | 2,238,552           |
| <u>\$ 1,025,034</u>     | <u>\$ 2,868,696</u> |

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**PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS****DEFINED BENEFIT PENSION PLAN**

This category includes those internal reporting funds primarily administered by the Department of Management Services, Division of Retirement, to account for operations of the Florida Retirement System's defined benefit pension plan.

**OTHER DEFINED CONTRIBUTION PLANS**

This category includes those internal reporting funds administered by the Department of Management Services, Division of Retirement, to account for operations of the state's other defined contribution plans.

**DEFERRED COMPENSATION PLAN**

This category includes those internal reporting funds administered by the Department of Financial Services to account for operations of government employees' deferred compensation plan.

**LIFE AND OTHER BENEFITS**

This category includes those internal reporting funds primarily administered by the Department of Management Services to account for state employees' life and other plans.

**RETIREE HEALTH INSURANCE SUBSIDY**

This category includes internal reporting funds administered by the Department of Management Services, Division of Retirement, to hold and invest the contributions paid by employers on behalf of their employees who are members of a state-administered retirement plan, and to pay benefits to which such employees or their beneficiaries may become entitled.

**DEFINED CONTRIBUTION PENSION PLAN**

This category includes those internal reporting funds administered by the Department of Management Services, Division of Retirement, and State Board of Administration to account for operations of the Florida Retirement System's defined contribution pension plan.

**NATIONAL GUARD SUPPLEMENTAL RETIREMENT BENEFIT PLAN**

This category includes the internal reporting fund, defined benefit plan, administered by the Department of Management Services, Division of Retirement, to account for operations of the National Guard supplemental retirement benefit plan.

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Defined<br>Benefit<br>Pension Plan | Other Defined<br>Contribution<br>Plans | Deferred<br>Compensation<br>Plan | Life and Other<br>Benefits |
|--|------------------------------------|--|----------------------------------|----------------------------|
| <b>ASSETS</b>                                      |                                    |  |                                  |                            |
| Cash and cash equivalents                          | \$ 84,363                          | \$ —                                   | \$ 15,527                        | \$ 191                     |
| Pooled investments with State Treasury             | 93,832                             | 17,503                                 | 1,903                            | 27,641                     |
| Total cash and cash equivalents                    | 178,195                            | 17,503                                 | 17,430                           | 27,832                     |
| <u>Investments</u>                                 |                                    |  |                                  |                            |
| U.S. government & federally guaranteed obligations | 17,884,329                         | —                                      | —                                | —                          |
| Federal agencies                                   | 9,467,240                          | —                                      | —                                | —                          |
| Commercial paper                                   | 2,828,161                          | —                                      | —                                | —                          |
| Repurchase agreements                              | 1,000,000                          | —                                      | —                                | —                          |
| Bonds and notes                                    | 9,359,596                          | —                                      | 2,111,500                        | —                          |
| International bonds and notes                      | 3,152,081                          | —                                      | —                                | —                          |
| Real estate contracts                              | 10,663,262                         | —                                      | —                                | —                          |
| Mutual fund investments                            | 9,997,729                          | —                                      | 3,622,432                        | —                          |
| Money market and short-term investments            | 55,851                             | —                                      | 449                              | —                          |
| Domestic equity                                    | 62,378,794                         | —                                      | 58,686                           | —                          |
| Alternative investments                            | 39,472,450                         | —                                      | —                                | —                          |
| International equity                               | 39,304,609                         | —                                      | 7,542                            | —                          |
| International equity commingled                    | —                                  | —                                      | —                                | —                          |
| Deferred compensation annuities                    | —                                  | —                                      | 13,427                           | —                          |
| Self-directed brokerage investments                | —                                  | —                                      | —                                | —                          |
| Other investments                                  | 946                                | —                                      | —                                | —                          |
| Total investments                                  | 205,565,048                        | —                                      | 5,814,036                        | —                          |
| <u>Receivables</u>                                 |                                    |  |                                  |                            |
| Accounts receivable                                | 47,149                             | —                                      | —                                | —                          |
| State contributions receivable                     | 58,851                             | 4                                      | —                                | —                          |
| Nonstate contributions receivable                  | 272,835                            | 14                                     | —                                | —                          |
| Interest receivable                                | 128,572                            | 10                                     | 1                                | 26                         |
| Dividends receivable                               | 263,683                            | —                                      | —                                | —                          |
| Pending investment sales                           | 1,078,133                          | —                                      | —                                | —                          |
| Foreign currency contracts receivable              | 344,222                            | —                                      | —                                | —                          |
| Due from state funds                               | 59,561                             | 10                                     | —                                | 1,289                      |
| Total receivables                                  | 2,253,006                          | 38                                     | 1                                | 1,315                      |
| Security lending collateral                        | 1,983,381                          | —                                      | —                                | —                          |
| Capital assets                                     | 1,428                              | —                                      | —                                | 27                         |
| Accumulated depreciation                           | (771)                              | —                                      | —                                | (13)                       |
| Other assets                                       | 5,725                              | —                                      | —                                | —                          |
| Total assets                                       | 209,986,012                        | 17,541                                 | 5,831,467                        | 29,161                     |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |                                    |  |                                  |                            |
| Pension-related items                              | —                                  | 33                                     | —                                | 123                        |
| Other postemployment benefits                      | 2,204                              | 103                                    | —                                | 41                         |
| Total deferred outflows of resources               | 2,204                              | 136                                    | —                                | 164                        |
| <b>LIABILITIES</b>                                 |                                    |  |                                  |                            |
| Accounts payable and accrued liabilities           | 184,700                            | 486                                    | —                                | 5,942                      |
| Due to other funds                                 | 29,477                             | 145                                    | —                                | 3                          |
| DROP   | 308,788                            | —                                      | —                                | —                          |
| Pending investment purchases                       | 4,907,134                          | —                                      | —                                | —                          |
| Short sell obligations                             | 76,584                             | —                                      | —                                | —                          |
| Foreign currency contracts payable                 | 344,928                            | —                                      | —                                | —                          |
| Broker rebate fees                                 | 63                                 | —                                      | —                                | —                          |
| Obligations under security lending agreements      | 2,015,247                          | 412                                    | 75                               | 1,008                      |
| Deposits payable                                   | 20,104                             | 8,591                                  | —                                | 15,325                     |
| Compensated absences                               | 1,226                              | 9                                      | —                                | 51                         |
| Pension liability                                  | —                                  | 98                                     | —                                | 376                        |
| Other postemployment benefits liability            | 11,453                             | 209                                    | —                                | 278                        |
| Total liabilities                                  | 7,899,704                          | 9,950                                  | 75                               | 22,983                     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |                                    |  |                                  |                            |
| Pension-related items                              | —                                  | 31                                     | —                                | 117                        |
| Other postemployment benefits                      | 6,330                              | 93                                     | —                                | 216                        |
| Total deferred inflows of resources                | 6,330                              | 124                                    | —                                | 333                        |
| <b>NET POSITION</b>                                |                                    |  |                                  |                            |
| Restricted for pension benefits                    | 202,082,182                        | 7,603                                  | —                                | —                          |
| Restricted for other postemployment benefits       | —                                  | —                                      | 5,831,392                        | 6,009                      |
| Total Net Position                                 | \$ 202,082,182                     | \$ 7,603                               | \$ 5,831,392                     | \$ 6,009                   |

2021 STATE OF FLORIDA ACFR

| Retiree Health<br>Insurance<br>Subsidy | Defined<br>Contribution<br>Pension Plan | National Guard<br>Supplemental<br>Retirement Benefit | Totals<br>6/30/21 |
|--|---|--|-------------------|
| \$ —                                   | \$ 867                                  | \$ 10  | \$ 100,958        |
| 51                                     | 73,996                                  | —  | 214,926           |
| 51                                     | 74,863                                  | 10   | 315,884           |
| —                                      | 141,344                                 | —  | 18,025,673        |
| —                                      | 83,883                                  | —  | 9,551,123         |
| —                                      | —                                       | —  | 2,828,161         |
| —                                      | —                                       | —  | 1,000,000         |
| —                                      | 122,071                                 | —  | 11,593,167        |
| —                                      | 19,184                                  | —  | 3,171,265         |
| —                                      | —                                       | —  | 10,663,262        |
| —                                      | 11,770,775                              | —  | 25,390,936        |
| 393,943                                | 1,077,854                               | —  | 1,528,097         |
| —                                      | 385,011                                 | —  | 62,822,491        |
| —                                      | —                                       | —  | 39,472,450        |
| —                                      | 16,132                                  | —  | 39,328,283        |
| —                                      | —                                       | —  | —                 |
| —                                      | —                                       | —  | 13,427            |
| —                                      | 1,219,127                               | —  | 1,219,127         |
| —                                      | —                                       | —  | 946               |
| 393,943                                | 14,835,381                              | —  | 226,608,408       |
| 29                                     | 1,482                                   | —  | 48,660            |
| 1,592                                  | 2,882                                   | —  | 63,329            |
| 42,802                                 | 67,943                                  | —  | 383,594           |
| —                                      | 1,145                                   | —  | 129,754           |
| —                                      | 677                                     | —  | 264,360           |
| —                                      | 30,834                                  | —  | 1,108,967         |
| —                                      | —                                       | —  | 344,222           |
| 14,205                                 | 15,884                                  | —  | 90,949            |
| 58,628                                 | 120,847                                 | —  | 2,433,835         |
| —                                      | —                                       | —  | 1,983,381         |
| —                                      | —                                       | —  | 1,455             |
| —                                      | —                                       | —  | (784)             |
| —                                      | —                                       | —  | 5,725             |
| 452,622                                | 15,031,091                              | 10   | 231,347,904       |
| —                                      | —                                       | —  | 156               |
| —                                      | —                                       | —  | 2,348             |
| —                                      | —                                       | —  | 2,504             |
| 5                                      | 2,968                                   | 10   | 194,111           |
| —                                      | 69,026                                  | —  | 98,651            |
| —                                      | —                                       | —  | 308,788           |
| —                                      | 63,267                                  | —  | 4,970,401         |
| —                                      | —                                       | —  | 76,584            |
| —                                      | —                                       | —  | 344,928           |
| —                                      | —                                       | —  | 63                |
| —                                      | —                                       | —  | 2,016,742         |
| —                                      | —                                       | —  | 44,020            |
| —                                      | —                                       | —  | 1,286             |
| —                                      | —                                       | —  | 474               |
| —                                      | —                                       | —  | 11,940            |
| 5                                      | 135,261                                 | 10   | 8,067,988         |
| —                                      | —                                       | —  | 148               |
| —                                      | —                                       | —  | 6,639             |
| —                                      | —                                       | —  | 6,787             |
| —                                      | 14,895,830                              | —  | 216,985,615       |
| 452,617                                | —                                       | —  | 6,290,018         |
| \$ 452,617                             | \$ 14,895,830                           | \$ —   | \$ 223,275,633    |

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | Defined<br>Benefit<br>Pension Plan | Other Defined<br>Contribution<br>Plans | Deferred<br>Compensation<br>Plan | Life and Other<br>Benefits |
|--|------------------------------------|--|----------------------------------|----------------------------|
| <b>ADDITIONS</b>                               |                                    |  |                                  |                            |
| <u>Contributions and other deposits</u>        |                                    |  |                                  |                            |
| Pension fund employer contributions - state    | \$ 617,286                         | \$ 70,007                              | \$ —                             | \$ —                       |
| Pension fund employer contributions - nonstate | 3,192,282                          | 37,798                                 | —                                | —                          |
| Pension fund employee contributions            | 750,563                            | 108,825                                | —                                | —                          |
| Other contributions                            | —                                  | —                                      | —                                | 186,510                    |
| Purchase of time by employees                  | 5,967                              | 4                                      | —                                | —                          |
| Fees   | —                                  | —                                      | 1,867                            | —                          |
| Flexible benefits contributions                | —                                  | —                                      | 346,163                          | —                          |
| Fines, forfeits, settlements and judgments     | —                                  | —                                      | —                                | —                          |
| Transfers in from state funds                  | 140,431                            | —                                      | —                                | 1,425                      |
| Total contributions and other deposits         | 4,706,529                          | 216,634                                | 348,030                          | 187,935                    |
| <u>Investment income</u>                       |                                    |  |                                  |                            |
| Interest income                                | 1,180,622                          | (185)                                  | (42)                             | (326)                      |
| Dividends                                      | 1,803,964                          | —                                      | —                                | —                          |
| Other investment income (loss)                 | 3,848,818                          | —                                      | —                                | —                          |
| Net increase (decrease) in fair market value   | 41,787,177                         | —                                      | 1,060,296                        | —                          |
| Total investment income (loss)                 | 48,620,581                         | (185)                                  | 1,060,254                        | (326)                      |
| Investment activity expense                    | (691,343)                          | (12)                                   | —                                | (48)                       |
| Net income (loss) from investing activity      | 47,929,238                         | (197)                                  | 1,060,254                        | (374)                      |
| <u>Security lending activity</u>               |                                    |  |                                  |                            |
| Security lending income                        | 25,318                             | —                                      | —                                | —                          |
| Security lending expense                       | (3,080)                            | —                                      | —                                | —                          |
| Net income from security lending               | 22,238                             | —                                      | —                                | —                          |
| Total net investment income (loss)             | 47,951,476                         | (197)                                  | 1,060,254                        | (374)                      |
| Other additions                                | 3,215                              | 210                                    | —                                | 2,291                      |
| Total additions                                | 52,661,220                         | 216,647                                | 1,408,284                        | 189,852                    |
| <b>DEDUCTIONS</b>                              |                                    |  |                                  |                            |
| Benefit payments                               | 11,435,285                         | —                                      | 338,559                          | —                          |
| Insurance claims expense                       | —                                  | —                                      | —                                | 4,250                      |
| Supplemental insurance payments                | —                                  | —                                      | —                                | 99,239                     |
| Flexible reimbursement payments                | —                                  | —                                      | —                                | 27,271                     |
| Life insurance premium payments                | —                                  | —                                      | —                                | 35,409                     |
| Remittances to annuity companies               | —                                  | 215,289                                | —                                | —                          |
| Program contribution refunds                   | 21,590                             | —                                      | —                                | —                          |
| Interest expense                               | —                                  | —                                      | 2                                | —                          |
| Administrative expense                         | 20,341                             | 207                                    | 18                               | 2,196                      |
| Transfers out to state funds                   | 670,079                            | 1                                      | 1,656                            | 20,788                     |
| Other deductions                               | 8                                  | —                                      | —                                | —                          |
| Total deductions                               | 12,147,303                         | 215,497                                | 340,235                          | 189,153                    |
| Change in net position                         | 40,513,917                         | 1,150                                  | 1,068,049                        | 699                        |
| Net position - beginning                       | 161,568,265                        | 6,453                                  | 4,763,343                        | 5,310                      |
| Net position - ending                          | \$ 202,082,182                     | \$ 7,603                               | \$ 5,831,392                     | \$ 6,009                   |

| Retiree Health<br>Insurance<br>Subsidy | Defined<br>Contribution<br>Pension Plan | National Guard<br>Supplemental<br>Retirement Benefit | Totals<br>6/30/21 |
|--|---|--|-------------------|
| \$ 80,597                              | \$ 83,457                               | \$ —   | \$ 851,347        |
| 507,204                                | 350,240                                 | —  | 4,087,524         |
| 55                                     | 251,653                                 | —  | 1,111,096         |
| —                                      | —                                       | —  | 186,510           |
| —                                      | —                                       | —  | 5,971             |
| —                                      | —                                       | —  | 1,867             |
| —                                      | —                                       | —  | 346,163           |
| —                                      | 12                                      | —  | 12                |
| —                                      | 668,696                                 | 15,557   | 826,109           |
| 587,856                                | 1,354,058                               | 15,557   | 7,416,599         |
| 824                                    | 7,195                                   | —  | 1,188,088         |
| —                                      | 14,639                                  | —  | 1,818,603         |
| —                                      | 11                                      | —  | 3,848,829         |
| 1                                      | 3,315,661                               | —  | 46,163,135        |
| 825                                    | 3,337,506                               | —  | 53,018,655        |
| —                                      | (5,975)                                 | —  | (697,378)         |
| 825                                    | 3,331,531                               | —  | 52,321,277        |
| —                                      | —                                       | —  | 25,318            |
| —                                      | —                                       | —  | (3,080)           |
| —                                      | —                                       | —  | 22,238            |
| 825                                    | 3,331,531                               | —  | 52,343,515        |
| 229                                    | 20,827                                  | —  | 26,772            |
| 588,910                                | 4,706,416                               | 15,557   | 59,786,886        |
| 514,361                                | 1,216,495                               | 15,505   | 13,520,205        |
| —                                      | —                                       | —  | 4,250             |
| —                                      | —                                       | —  | 99,239            |
| —                                      | —                                       | —  | 27,271            |
| —                                      | —                                       | —  | 35,409            |
| —                                      | —                                       | —  | 215,289           |
| —                                      | —                                       | —  | 21,590            |
| —                                      | —                                       | —  | 2                 |
| 192                                    | 5,959                                   | 52   | 28,965            |
| 1                                      | 159,962                                 | —  | 852,487           |
| —                                      | —                                       | —  | 8                 |
| 514,554                                | 1,382,416                               | 15,557   | 14,804,715        |
| 74,356                                 | 3,324,000                               | —  | 44,982,171        |
| 378,261                                | 11,571,830                              | —  | 178,293,462       |
| \$ 452,617                             | \$ 14,895,830                           | \$ —   | \$ 223,275,633    |



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**INVESTMENT TRUST FUNDS**

**EXTERNAL TREASURY POOL**

This fund, administered by the State Treasury, is used to account for the external portion of the State Treasurer's Investment Pool.

**INVESTMENT POOL A**

This fund, administered by the State Board of Administration, is used to account for the external portion of the Local Government Surplus Funds Trust Fund (an investment pool) reported by the state.

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
INVESTMENT TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | External<br>Treasury Pool | Investment<br>Pool A | Totals<br>6/30/21 |
|---|---------------------------|----------------------|-------------------|
| <b>ASSETS</b>                                       |                           |                      |                   |
| Cash and cash equivalents                           | \$ —                      | \$ 2,820,283         | \$ 2,820,283      |
| Pooled investments with State Treasury              | 1,091,817                 | —                    | 1,091,817         |
| Total cash and cash equivalents                     | 1,091,817                 | 2,820,283            | 3,912,100         |
| <u>Investments</u>                                  |                           |                      |                   |
| Certificates of deposit                             | —                         | 2,834,231            | 2,834,231         |
| U. S. government & federally guaranteed obligations | —                         | 154,601              | 154,601           |
| Commercial paper                                    | —                         | 8,054,084            | 8,054,084         |
| Repurchase agreements                               | —                         | 113,947              | 113,947           |
| Bonds and notes                                     | —                         | 29,570               | 29,570            |
| Money market and short-term investments             | —                         | 1,401,653            | 1,401,653         |
| Total investments                                   | —                         | 12,588,086           | 12,588,086        |
| <u>Receivables</u>                                  |                           |                      |                   |
| Interest receivable                                 | 864                       | 1,585                | 2,449             |
| Total receivables                                   | 864                       | 1,585                | 2,449             |
| Other assets  | —                         | 21                   | 21                |
| Total assets  | 1,092,681                 | 15,409,975           | 16,502,656        |
| <b>LIABILITIES</b>                                  |                           |                      |                   |
| Accounts payable and accrued liabilities            | —                         | 904                  | 904               |
| Due to other funds                                  | —                         | 130                  | 130               |
| Due to other governments                            | —                         | 2,525                | 2,525             |
| Obligations under security lending agreements       | 51,503                    | —                    | 51,503            |
| Total liabilities                                   | 51,503                    | 3,559                | 55,062            |
| <b>NET POSITION</b>                                 |                           |                      |                   |
| Restricted for pool participants                    | \$ 1,041,178              | \$ 15,406,416        | \$ 16,447,594     |

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
INVESTMENT TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|  | External<br>Treasury Pool | Investment<br>Pool A | Totals<br>6/30/21 |
|--|---------------------------|----------------------|-------------------|
| <b>ADDITIONS</b>                                 |                           |                      |                   |
| <u>Contributions and other deposits</u>          |                           |                      |                   |
| Fines, forfeits, settlements and judgments       | \$ —                      | \$ —                 | \$ —              |
| Total contributions and other deposits           | —                         | —                    | —                 |
| <u>Investment income</u>                         |                           |                      |                   |
| Interest income                                  | (22,452)                  | 34,858               | 12,406            |
| Net increase (decrease) in fair market value     | —                         | 187                  | 187               |
| Total investment income (loss)                   | (22,452)                  | 35,045               | 12,593            |
| Investment activity expense                      | (1,157)                   | (4,565)              | (5,722)           |
| Net income (loss) from investing activity        | (23,609)                  | 30,480               | 6,871             |
| Total net investment income (loss)               | (23,609)                  | 30,480               | 6,871             |
| Total additions                                  | (23,609)                  | 30,480               | 6,871             |
| <b>DEDUCTIONS</b>                                |                           |                      |                   |
| Administrative expense                           | —                         | 50                   | 50                |
| Total deductions                                 | —                         | 50                   | 50                |
| <u>Depositor activity</u>                        |                           |                      |                   |
| Deposits   | 493,267                   | 26,002,862           | 26,496,129        |
| Withdrawals                                      | (211,195)                 | (23,926,932)         | (24,138,127)      |
| Excess (deficiency) of deposits over withdrawals | 282,072                   | 2,075,930            | 2,358,002         |
| Change in net position                           | 258,463                   | 2,106,360            | 2,364,823         |
| Net position - beginning                         | 782,715                   | 13,300,056           | 14,082,771        |
| Net position - ending                            | \$ 1,041,178              | \$ 15,406,416        | \$ 16,447,594     |

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## CUSTODIAL FUNDS

### TAX DISTRIBUTION AND ADMINISTRATION

These agency funds, administered by the Department of Revenue, are primarily used to account for taxes collected by the Department that are held for other municipalities, local governments, or outside entities.

### OTHER

These agency funds, administered by various agencies, are used to account for resources held in trust for entities outside of the State government and for the asset and liability balance related to retiree health care.

### FLORIDA SCHOOL FOR THE DEAF AND THE BLIND

These agency funds, administered by the School for the Deaf and the Blind, are used to account for resources held for students.

### STATE BOARD OF ADMINISTRATION

These agency funds, administered by the State Board of Administration, are primarily used to account for escrowed bond funds.

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**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | Tax<br>Distribution<br>and<br>Administration | Other      | School for<br>the Deaf<br>and the<br>Blind | State Board<br>of<br>Administration | Totals<br>6/30/21 |
|---|--|------------|--|-------------------------------------|-------------------|
| <b>ASSETS</b>   |  |            |  |                                     |                   |
| Cash and cash equivalents   | \$ 21  | \$ 136,436 | \$ 40                                      | \$ —                                | \$ 136,497        |
| Pooled investments with State Treasury                              | 1,063,351                                    | 552,232    | —  | —                                   | 1,615,583         |
| Total cash and cash equivalents                                     | 1,063,372                                    | 688,668    | 40   | —                                   | 1,752,080         |
| <u>Investments</u>  |  |            |  |                                     |                   |
| Money market and short-term investments                             | —  | 350        | —  | —                                   | 350               |
| Other investments   | —  | 200        | —  | —                                   | 200               |
| Total investments   | —  | 550        | —  | —                                   | 550               |
| <u>Receivables</u>  |  |            |  |                                     |                   |
| Accounts receivable   | 533,450                                      | 124,417    | —  | —                                   | 657,867           |
| Interest receivable   | —  | 447        | —  | —                                   | 447               |
| Due from state funds  | 175,614                                      | 32,857     | —  | —                                   | 208,471           |
| Due from other governments  | —  | 548        | —  | —                                   | 548               |
| Total receivables   | 709,064                                      | 158,269    | —  | —                                   | 867,333           |
| Advances to other entities  | —  | 84,714     | —  | —                                   | 84,714            |
| Other assets  | —  | 2,622      | —  | —                                   | 2,622             |
| Capital assets  | —  | 10         | —  | —                                   | 10                |
| Total assets  | 1,772,436                                    | 934,833    | 40   | —                                   | 2,707,309         |
| <b>LIABILITIES</b>  |  |            |  |                                     |                   |
| Accounts payable and accrued liabilities                            | \$ 663,560                                   | \$ 88,473  | \$ —                                       | \$ —                                | \$ 752,033        |
| Due to other funds  | 107,044                                      | 142,901    | —  | —                                   | 249,945           |
| Due to other governments  | 1,001,157                                    | 59,169     | —  | —                                   | 1,060,326         |
| Obligations under security lending agreements                       | —  | 13,825     | —  | —                                   | 13,825            |
| Claims payable  | —  | 21,943     | —  | —                                   | 21,943            |
| Deposits payable  | —  | 247,012    | —  | —                                   | 247,012           |
| Other liabilities   | —  | 352        | —  | —                                   | 352               |
| Total liabilities   | 1,771,761                                    | 573,675    | —  | —                                   | 2,345,436         |
| <b>NET POSITION</b>   |  |            |  |                                     |                   |
| Restricted for Individuals, organizations,<br>and other governments | \$ 675                                       | \$ 361,158 | \$ 40                                      | \$ —                                | \$ 361,873        |



**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | Tax<br>Distribution<br>and<br>Administration | Other      | School for<br>the Deaf and<br>Blind | State Board<br>of<br>Administration | Totals      |
|---|--|------------|-------------------------------------|-------------------------------------|-------------|
| <b>ADDITIONS</b>                                    |  |            |                                     |                                     |             |
| <u>Contributions and other deposits</u>             |  |            |                                     |                                     |             |
| Fees  | \$ 1,725,050                                 | \$ 1,125   | \$ —                                | \$ —                                | \$1,726,175 |
| Grants and contributions                            | —  | 2,067      | —                                   | —                                   | 2,067       |
| Fines, forfeits, settlements and judgments          | 367  | 21,830     | —                                   | —                                   | 22,197      |
| Receivership assets acquired                        | —  | 102,320    | —                                   | —                                   | 102,320     |
| Transfers in from state funds                       | 770  | —          | —                                   | —                                   | 770         |
| Total contributions and other deposits              | 1,726,187                                    | 127,342    | —                                   | —                                   | 1,853,529   |
| <u>Investment income</u>                            |  |            |                                     |                                     |             |
| Interest income                                     | 76   | 5,414      | —                                   | —                                   | 5,490       |
| Other investment income (loss)                      | —  | (159)      | —                                   | —                                   | (159)       |
| Net increase (decrease) in fair market value        | —  | —          | —                                   | 2                                   | 2           |
| Total investment income                             | 76   | 5,255      | —                                   | 2                                   | 5,333       |
| Other additions                                     | 8,930,651                                    | 3,600      | —                                   | 46,749                              | 8,981,000   |
| Total additions                                     | 10,656,914                                   | 136,197    | —                                   | 46,751                              | 10,839,862  |
| <b>DEDUCTIONS</b>                                   |  |            |                                     |                                     |             |
| Insurance claims expense                            | —  | 36,477     | —                                   | —                                   | 36,477      |
| Interest expense                                    | —  | 278        | —                                   | —                                   | 278         |
| Administrative expense                              | —  | 12,044     | —                                   | —                                   | 12,044      |
| Transfers out to state funds                        | —  | 4,745      | —                                   | 4                                   | 4,749       |
| Other deductions                                    | 10,656,239                                   | 9,945      | —                                   | 46,747                              | 10,712,931  |
| Total deductions                                    | 10,656,239                                   | 63,489     | —                                   | 46,751                              | 10,766,479  |
| <u>Depositor activity</u>                           |  |            |                                     |                                     |             |
| Deposits  | —  | 2,467      | 64                                  | —                                   | 2,531       |
| Withdrawals   | —  | (2,467)    | (65)                                | —                                   | (2,532)     |
| Excess (deficiency) of deposits over<br>withdrawals | —  | —          | (1)                                 | —                                   | (1)         |
| Change in net position                              | 675  | 72,708     | (1)                                 | —                                   | 73,382      |
| Net position - beginning, as restated (Note 1)      | —  | 288,450    | 41                                  | —                                   | 288,491     |
| Net position - ending                               | \$ 675                                       | \$ 361,158 | \$ 40                               | \$ —                                | \$ 361,873  |

## **NONMAJOR COMPONENT UNITS**

### **WATER MANAGEMENT DISTRICTS**

These districts were created in accordance with Section 373.069, Florida Statutes, to provide for the management and conservation of water and related land resources. Refer to Note 1 for additional information.

### **OTHER STATE UNIVERSITIES**

This category includes 11 state universities. Refer to Note 1 for additional information.

### **FLORIDA COLLEGES**

This category includes 28 Florida College System Institutions. Refer to Note 1 for additional information.

### **OTHER NONMAJOR COMPONENT UNITS**

Other nonmajor component units include various foundations and not-for-profit organizations. Refer to Note 1 for additional information.

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**COMBINING STATEMENT OF NET POSITION  
NONMAJOR COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

|   | Water<br>Management<br>Districts | Other<br>State<br>Universities | Florida<br>Colleges | Other<br>Nonmajor<br>Component<br>Units | Totals<br>6/30/21 |
|---|----------------------------------|--------------------------------|---------------------|---|-------------------|
| <b>ASSETS</b>                                     |                                  |                                |                     |   |                   |
| Cash and cash equivalents                         | \$ 147,632                       | \$ 456,066                     | \$ 538,139          | \$ 786,521                              | \$ 1,928,358      |
| Pooled investments with State Treasury            | 44,431                           | 1,838,286                      | 7,879               | 22,313                                  | 1,912,909         |
| Other investments                                 | 908,639                          | 2,192,563                      | 1,045,962           | 1,959,110                               | 6,106,274         |
| Receivables, net                                  | 40,306                           | 616,277                        | 390,815             | 129,838                                 | 1,177,236         |
| Due from component units/primary                  | 72,584                           | 294,877                        | 53,289              | 10,065                                  | 430,815           |
| Inventories                                       | 5,860                            | 9,706                          | 7,562               | 11,609                                  | 34,737            |
| Restricted cash and cash equivalents              | —                                | 79,741                         | 655,271             | 77,341                                  | 812,353           |
| Restricted pooled investments with State Treasury | —                                | 191,771                        | 36,575              | —                                       | 228,346           |
| Restricted investments                            | 234,159                          | 3,232,762                      | 1,211,348           | 3,521                                   | 4,681,790         |
| Other loans and notes receivable, net             | —                                | 95,613                         | 12,986              | 756                                     | 109,355           |
| Other assets                                      | 5,913                            | 299,267                        | 145,761             | 6,557                                   | 457,498           |
| Capital assets, net                               | 8,475,562                        | 9,371,917                      | 4,368,802           | 623,317                                 | 22,839,598        |
| Total assets                                      | 9,935,086                        | 18,678,846                     | 8,474,389           | 3,630,948                               | 40,719,269        |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>             |                                  |                                |                     |   |                   |
| Accum. decrease in fair value-hedging derivatives | —                                | 15,810                         | —                   | —                                       | 15,810            |
| Grants paid in advance                            | 15                               | —                              | —                   | —                                       | 15                |
| Amount deferred on refunding of debt              | 979                              | 26,291                         | —                   | —                                       | 27,270            |
| Pension-related items                             | 59,598                           | 755,253                        | 487,057             | 67,507                                  | 1,369,415         |
| Other postemployment benefits                     | 7,326                            | 716,621                        | 29,501              | 4,182                                   | 757,630           |
| Total deferred outflows of resources              | 67,918                           | 1,513,975                      | 516,558             | 71,689                                  | 2,170,140         |
| <b>LIABILITIES</b>                                |                                  |                                |                     |   |                   |
| Accounts payable and accrued liabilities          | 144,165                          | 415,903                        | 400,592             | 131,480                                 | 1,092,140         |
| Due to component units/primary                    | 41                               | 20,960                         | 27,864              | 66                                      | 48,931            |
| Long-term liabilities                             |                                  |                                |                     |   |                   |
| Due within one year                               | 80,404                           | 476,684                        | 182,702             | 33,570                                  | 773,360           |
| Due in more than one year                         | 675,794                          | 6,805,087                      | 1,947,810           | 1,435,239                               | 10,863,930        |
| Total liabilities                                 | 900,404                          | 7,718,634                      | 2,558,968           | 1,600,355                               | 12,778,361        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>              |                                  |                                |                     |   |                   |
| Deferred service concession arrangement receipts  | —                                | 111,377                        | —                   | 217                                     | 111,594           |
| Grants received in advance                        | —                                | 1,143                          | —                   | —                                       | 1,143             |
| Amount deferred on refunding of debt              | —                                | 171                            | —                   | —                                       | 171               |
| Pension-related items                             | 15,307                           | 51,907                         | 83,221              | 4,072                                   | 154,507           |
| Other postemployment benefits                     | 6,104                            | 899,390                        | 23,397              | 6,202                                   | 935,093           |
| Irrevocable split-interest agreements             | —                                | 49,106                         | 2,213               | 658                                     | 51,977            |
| Total deferred inflows of resources               | 21,411                           | 1,113,094                      | 108,831             | 11,149                                  | 1,254,485         |
| <b>NET POSITION</b>                               |                                  |                                |                     |   |                   |
| Net investment in capital assets                  | 8,087,671                        | 7,555,434                      | 4,162,399           | 606,830                                 | 20,412,334        |
| Restricted for                                    |                                  |                                |                     |   |                   |
| Debt service                                      | —                                | 28,872                         | 4,111               | —                                       | 32,983            |
| Other   | 608,695                          | 1,733,367                      | 1,610,686           | 1,114,743                               | 5,067,491         |
| Funds held for permanent endowment                |                                  |                                |                     |   |                   |
| Expendable  | —                                | 786,519                        | 415,336             | —                                       | 1,201,855         |
| Nonexpendable                                     | —                                | 1,849,419                      | 512,393             | 35                                      | 2,361,847         |
| Unrestricted                                      | 384,823                          | (592,518)                      | (381,777)           | 369,525                                 | (219,947)         |
| Total net position                                | \$ 9,081,189                     | \$ 11,361,093                  | \$ 6,323,148        | \$ 2,091,133                            | \$ 28,856,563     |

**COMBINING STATEMENT OF ACTIVITIES  
NONMAJOR COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(in thousands)**

| Functions/Programs             | Expenses      | Program Revenues     |                                    |                                  |
|--------------------------------|---------------|----------------------|------------------------------------|----------------------------------|
|                                |               | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Water Management Districts     | \$ 604,783    | \$ 33,428            | \$ 106,213                         | \$ 256,268                       |
| Other State Universities       | 8,122,012     | 2,434,717            | 2,783,923                          | 139,221                          |
| Florida Colleges               | 3,905,902     | 620,189              | 1,734,287                          | 127,150                          |
| Other Nonmajor Component Units | 1,244,987     | 242,539              | 391,098                            | 35,722                           |
| Total component units          | \$ 13,877,684 | \$ 3,330,873         | \$ 5,015,521                       | \$ 558,361                       |

General revenues

Property taxes

Investment earnings (losses)

Gain (loss) on sale of capital assets

Payments from the State of Florida

Miscellaneous

Contributions to permanent funds

Total general revenues and contributions

Change in net position

Net position - beginning, as restated (Note 1)

Net position - ending

Net (Expense) Revenue and Changes in Net Position

| Water<br>Management<br>Districts | Other<br>State<br>Universities | Florida<br>Colleges | Other<br>Nonmajor<br>Component<br>Units | Totals<br>6/30/21 |
|----------------------------------|--------------------------------|---------------------|---|-------------------|
| \$ (208,874)                     | \$ —                           | \$ —                | \$ —                                    | \$ (208,874)      |
| —                                | (2,764,151)                    | —                   | —                                       | (2,764,151)       |
| —                                | —                              | (1,424,276)         | —                                       | (1,424,276)       |
| —                                | —                              | —                   | (575,628)                               | (575,628)         |
| (208,874)                        | (2,764,151)                    | (1,424,276)         | (575,628)                               | (4,972,929)       |
| 507,400                          | —                              | —                   | —                                       | 507,400           |
| 36,590                           | 801,241                        | 275,945             | 273,812                                 | 1,387,588         |
| 4,218                            | (48,251)                       | 60,929              | 16                                      | 16,912            |
| —                                | 2,393,880                      | 1,285,587           | 384,206                                 | 4,063,673         |
| 8,307                            | 669,061                        | 87,229              | 106,380                                 | 870,977           |
| —                                | 40,422                         | 18,101              | —                                       | 58,523            |
| 556,515                          | 3,856,353                      | 1,727,791           | 764,414                                 | 6,905,073         |
| 347,641                          | 1,092,202                      | 303,515             | 188,786                                 | 1,932,144         |
| 8,733,548                        | 10,268,891                     | 6,019,633           | 1,902,347                               | 26,924,419        |
| \$ 9,081,189                     | \$ 11,361,093                  | \$ 6,323,148        | \$ 2,091,133                            | \$ 28,856,563     |

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# **STATISTICAL SECTION**



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# STATISTICAL SECTION

## Table of Contents

This section of the State of Florida's ACFR provides additional detailed information for use in assessing the financial condition of the government.

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**Net Position by Component  
For the Last Ten Fiscal Years  
(in thousands)**  
(Accrual Basis of Accounting)

|   | Fiscal Year          |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2012                 | 2013                 | 2014                 | 2015                 | 2016                 |
| <b>Governmental Activities</b>                        |                      |                      |                      |                      |                      |
| Net investment in capital assets                      | \$ 58,403,581        | \$ 59,994,370        | \$ 61,727,674        | \$ 63,937,059        | \$ 66,196,839        |
| Restricted  |                      |                      |                      |                      |                      |
| Natural resources, environment, and growth management | 2,409,211            | 2,533,998            | 2,672,904            | 2,930,848            | 3,188,567            |
| Public Education                                      | 593,657              | 390,829              | 502,820              | 778,229              | 742,292              |
| Health and Family Services                            | 1,042,253            | 1,562,739            | 1,771,369            | 1,258,290            | 1,592,259            |
| Transportation  | 1,706,083            | 1,665,701            | 2,475,460            | 2,121,855            | 1,942,833            |
| Nonmajor governmental funds                           | 1,195,232            | 1,137,373            | 1,100,467            | 1,096,687            | 1,132,748            |
| Debt service  | 289,922              | 280,048              | 263,030              | 248,102              | 252,056              |
| Other   | 571,203              | 557,025              | 482,457              | 523,957              | 635,617              |
| Unrestricted  | (13,435,170)         | (10,774,051)         | (9,773,999)          | (12,370,358)         | (12,006,653)         |
| Total governmental activities net position            | <u>\$ 52,775,972</u> | <u>\$ 57,348,032</u> | <u>\$ 61,222,182</u> | <u>\$ 60,524,669</u> | <u>\$ 63,676,558</u> |
| Percent change from prior year                        | 4.59%                | 8.66 %               | 6.76 %               | -1.14 %              | 5.21 %               |
| <b>Business-type Activities</b>                       |                      |                      |                      |                      |                      |
| Net investment in capital assets                      | \$ 5,365,538         | \$ 5,841,079         | \$ 6,789,610         | \$ 7,543,562         | \$ 7,766,815         |
| Restricted  |                      |                      |                      |                      |                      |
| Transportation  | 283,979              | 168,934              | 316,989              | 312,992              | 317,355              |
| Lottery   | 135,245              | 102,088              | 93,419               | 95,094               | 121,932              |
| Prepaid College Program                               | 565,037              | 829,845              | 1,792,466            | 1,507,552            | 1,657,880            |
| Hurricane Catastrophe Fund                            | 6,424,436            | 8,295,259            | 10,160,217           | 11,632,636           | 12,771,922           |
| Reemployment Assistance                               | —                    | 1,158,339            | 2,044,428            | 2,797,525            | 3,337,397            |
| Other   | 90                   | 4,165                | 9,144                | 2,658                | 1,296                |
| Unrestricted  | 617,183              | 889,008              | 951,037              | 893,680              | 1,282,592            |
| Total business-type activities net position           | <u>\$ 13,391,508</u> | <u>\$ 17,288,717</u> | <u>\$ 22,157,310</u> | <u>\$ 24,785,699</u> | <u>\$ 27,257,189</u> |
| Percent change from prior year                        | 27.93%               | 29.10 %              | 28.16 %              | 11.86 %              | 9.97 %               |
| <b>Total Primary Government</b>                       |                      |                      |                      |                      |                      |
| Net investment in capital assets                      | \$ 63,769,119        | \$ 65,835,449        | \$ 68,517,284        | \$ 71,480,621        | \$ 73,963,654        |
| Restricted  |                      |                      |                      |                      |                      |
| Natural resources, environment, and growth management | 2,409,211            | 2,533,998            | 2,672,904            | 2,930,848            | 3,188,567            |
| Public Education                                      | 593,657              | 390,829              | 502,820              | 778,229              | 742,292              |
| Health and Family Services                            | 1,042,253            | 1,562,739            | 1,771,369            | 1,258,290            | 1,592,259            |
| Transportation  | 1,990,062            | 1,834,635            | 2,792,449            | 2,434,847            | 2,260,188            |
| Nonmajor governmental funds                           | 1,195,232            | 1,137,373            | 1,100,467            | 1,096,687            | 1,132,748            |
| Debt service  | 289,922              | 280,048              | 263,030              | 248,102              | 252,056              |
| Lottery   | 135,245              | 102,088              | 93,419               | 95,094               | 121,932              |
| Prepaid College Program                               | 565,037              | 829,845              | 1,792,466            | 1,507,552            | 1,657,880            |
| Hurricane Catastrophe Fund                            | 6,424,436            | 8,295,259            | 10,160,217           | 11,632,636           | 12,771,922           |
| Reemployment Assistance                               | —                    | 1,158,339            | 2,044,428            | 2,797,525            | 3,337,397            |
| Other   | 571,293              | 561,190              | 491,601              | 526,615              | 636,913              |
| Unrestricted  | (12,817,987)         | (9,885,043)          | (8,822,962)          | (11,476,678)         | (10,724,061)         |
| Total primary government net position                 | <u>\$ 66,167,480</u> | <u>\$ 74,636,749</u> | <u>\$ 83,379,492</u> | <u>\$ 85,310,368</u> | <u>\$ 90,933,747</u> |
| Percent change from prior year                        | 8.60%                | 12.80 %              | 11.71 %              | 2.32 %               | 6.59 %               |

Note: Reporting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. See Schedule A-2 for changes in net position from year to year.

|           | Fiscal Year       |                      |                      |                      |                       |
|-----------|-------------------|----------------------|----------------------|----------------------|-----------------------|
|           | 2017              | 2018                 | 2019                 | 2020                 | 2021                  |
| \$        | 69,021,627        | \$ 70,555,222        | \$ 72,831,994        | \$ 75,163,014        | \$ 77,434,619         |
|           | 3,354,846         | 3,477,284            | 3,895,031            | 4,170,683            | 4,577,465             |
|           | 701,059           | 597,870              | 533,623              | 405,676              | 380,668               |
|           | 1,796,164         | 1,850,079            | 1,759,456            | 1,781,785            | 1,985,463             |
|           | 1,630,744         | 1,701,574            | 1,742,579            | 1,698,367            | 1,888,355             |
|           | 1,182,019         | 1,197,583            | 1,451,488            | 1,269,395            | 1,523,668             |
|           | 217,884           | 162,511              | 80,368               | 30,391               | 32,607                |
|           | 678,388           | 639,860              | 769,906              | 700,498              | 779,833               |
|           | (12,401,193)      | (17,686,725)         | (16,241,118)         | (15,549,592)         | (10,667,124)          |
| <u>\$</u> | <u>66,181,538</u> | <u>\$ 62,495,258</u> | <u>\$ 66,823,327</u> | <u>\$ 69,670,217</u> | <u>\$ 77,935,554</u>  |
|           | 3.93 %            | -5.57 %              | 6.93%                | 4.26%                | 11.86 %               |
| \$        | 8,652,433         | \$ 10,521,410        | \$ 10,933,870        | \$ 12,022,039        | \$ 12,590,918         |
|           | 298,572           | 250,887              | 432,848              | 249,847              | 285,126               |
|           | 95,499            | 91,991               | 130,558              | 139,270              | 105,007               |
|           | 2,367,619         | 2,954,127            | 3,700,748            | 3,566,380            | 4,712,304             |
|           | 13,980,584        | 12,700,446           | 10,288,180           | 10,351,755           | 10,195,203            |
|           | 3,737,155         | 3,951,714            | 4,144,120            | 2,318,051            | 1,005,981             |
|           | 467               | 12,286               | 5,744                | 2,132                | 4,216                 |
|           | 1,274,131         | 987,199              | 1,137,521            | 844,697              | 666,264               |
| <u>\$</u> | <u>30,406,460</u> | <u>\$ 31,470,060</u> | <u>\$ 30,773,589</u> | <u>\$ 29,494,171</u> | <u>\$ 29,565,019</u>  |
|           | 11.55 %           | 3.50 %               | -2.26%               | -4.16%               | 0.24 %                |
| \$        | 77,674,060        | \$ 81,076,632        | \$ 83,765,864        | \$ 87,185,053        | \$ 90,025,537         |
|           | 3,354,846         | 3,477,284            | 3,895,031            | 4,170,683            | 4,577,465             |
|           | 701,059           | 597,870              | 533,623              | 405,676              | 380,668               |
|           | 1,796,164         | 1,850,079            | 1,759,456            | 1,781,785            | 1,985,463             |
|           | 1,929,316         | 1,952,461            | 2,175,427            | 1,948,214            | 2,173,481             |
|           | 1,182,019         | 1,197,583            | 1,451,488            | 1,269,395            | 1,523,668             |
|           | 217,884           | 162,511              | 80,368               | 30,391               | 32,607                |
|           | 95,499            | 91,991               | 130,558              | 139,270              | 105,007               |
|           | 2,367,619         | 2,954,127            | 3,700,748            | 3,566,380            | 4,712,304             |
|           | 13,980,584        | 12,700,446           | 10,288,180           | 10,351,755           | 10,195,203            |
|           | 3,737,155         | 3,951,714            | 4,144,120            | 2,318,051            | 1,005,981             |
|           | 678,855           | 652,146              | 775,650              | 702,630              | 784,049               |
|           | (11,127,062)      | (16,699,526)         | (15,103,597)         | (14,704,895)         | (10,000,860)          |
| <u>\$</u> | <u>96,587,998</u> | <u>\$ 93,965,318</u> | <u>\$ 97,596,916</u> | <u>\$ 99,164,388</u> | <u>\$ 107,500,573</u> |
|           | 6.22 %            | -2.72 %              | 3.72%                | 1.61%                | 8.41 %                |

**Changes in Net Position  
For the Last Ten Fiscal Years  
(in thousands)**  
(Accrual Basis of Accounting)

|   | Fiscal Year     |                 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
|   | 2012            | 2013            | 2014            | 2015            | 2016            |
| <b>Expenses</b>                                 |                 |                 |                 |                 |                 |
| Governmental activities:                        |                 |                 |                 |                 |                 |
| General government                              | \$ 6,342,471    | \$ 6,430,345    | \$ 6,057,247    | \$ 6,451,450    | \$ 6,699,521    |
| Education                                       | 17,695,809      | 17,807,322      | 19,316,440      | 19,642,993      | 20,162,012      |
| Human services                                  | 29,650,274      | 30,770,664      | 32,971,959      | 34,302,877      | 34,595,840      |
| Criminal justice and corrections                | 4,245,923       | 4,186,869       | 3,847,359       | 3,863,258       | 4,021,540       |
| Natural resources and environment               | 2,265,464       | 2,374,092       | 2,497,934       | 2,537,376       | 2,852,005       |
| Transportation                                  | 3,614,062       | 3,543,133       | 3,851,085       | 4,031,701       | 4,962,377       |
| Judicial branch                                 | 409,441         | 455,878         | 487,056         | 479,671         | 521,155         |
| Indirect interest on long-term debt             | 6,257           | 5,904           | 5,814           | 140,676         | 78,225          |
| Total governmental activities expenses          | 64,229,701      | 65,574,207      | 69,034,894      | 71,450,002      | 73,892,675      |
| Business-type activities:                       |                 |                 |                 |                 |                 |
| Transportation                                  | 421,724         | 426,056         | 392,138         | 470,955         | 514,248         |
| Lottery   | 3,188,011       | 3,619,597       | 3,904,940       | 4,116,009       | 4,389,601       |
| Hurricane Catastrophe Fund                      | 113,808         | (95,313)        | (90,146)        | 91,173          | 68,294          |
| Prepaid College Program                         | 2,010,300       | (149,009)       | (48,662)        | 760,234         | 1,322,406       |
| Reemployment Assistance                         | 3,407,135       | 2,389,913       | 1,448,606       | 663,660         | 465,563         |
| Nonmajor enterprise funds                       | 256,936         | 287,278         | 314,276         | 322,557         | 332,551         |
| Total business-type activities expenses         | 9,397,914       | 6,478,522       | 5,921,152       | 6,424,588       | 7,092,663       |
| Total primary government expenses               | \$ 73,627,615   | \$ 72,052,729   | \$ 74,956,046   | \$ 77,874,590   | \$ 80,985,338   |
| <b>Program Revenues</b>                         |                 |                 |                 |                 |                 |
| Governmental activities:                        |                 |                 |                 |                 |                 |
| Charges for services                            |                 |                 |                 |                 |                 |
| General government                              | \$ 4,680,250    | \$ 5,153,314    | \$ 4,804,016    | \$ 4,577,749    | \$ 4,656,044    |
| Education                                       | 156,917         | 243,580         | 235,756         | 216,000         | 291,798         |
| Human services                                  | 1,901,175       | 1,363,570       | 2,443,730       | 2,271,823       | 1,702,416       |
| Criminal justice and corrections                | 729,837         | 762,411         | 261,949         | 275,308         | 312,850         |
| Transportation                                  | 352,007         | 336,560         | 342,489         | 363,976         | 367,177         |
| Judicial branch                                 | 361,627         | 485,131         | 274,205         | 709,950         | 256,419         |
| Operating Grants and Contributions              | 247,645         | 105,006         | 99,211          | 85,598          | 77,239          |
| Capital Grants and Contributions                | 23,925,002      | 25,852,502      | 26,960,994      | 26,000,382      | 27,224,801      |
| Total governmental activities program revenues  | 34,390,924      | 36,324,503      | 37,893,240      | 36,730,123      | 37,392,115      |
| Business-type activities:                       |                 |                 |                 |                 |                 |
| Charges for services                            |                 |                 |                 |                 |                 |
| Transportation                                  | 715,835         | 851,997         | 922,212         | 993,662         | 1,131,342       |
| Lottery   | 4,524,446       | 5,012,842       | 5,392,735       | 5,607,354       | 6,108,189       |
| Hurricane Catastrophe Fund                      | 1,362,133       | 1,295,500       | 1,296,550       | 1,314,505       | 1,214,518       |
| Prepaid College Program                         | 1,983,897       | 115,727         | 913,778         | 475,406         | 1,472,707       |
| Reemployment Assistance                         | 2,200,841       | 2,235,316       | 1,911,442       | 1,416,939       | 1,031,057       |
| Nonmajor enterprise funds                       | 358,972         | 380,370         | 406,902         | 429,789         | 431,022         |
| Operating Grants and Contributions              | 2,165,114       | 1,442,864       | 432,698         | 35,521          | 10,886          |
| Capital Grants and Contributions                | 289             | 6,414           | 19,732          | 3,350           | 2,724           |
| Total business-type activities program revenues | 13,311,527      | 11,341,030      | 11,296,049      | 10,276,526      | 11,402,445      |
| Total primary government program revenues       | \$ 47,702,451   | \$ 47,665,533   | \$ 49,189,289   | \$ 47,006,649   | \$ 48,794,560   |
| <b>Net (Expense) Revenue <sup>(1)</sup></b>     |                 |                 |                 |                 |                 |
| Governmental activities                         | \$ (29,838,777) | \$ (29,249,704) | \$ (31,141,654) | \$ (34,719,879) | \$ (36,500,560) |
| Business-type activities                        | 3,913,613       | 4,862,508       | 5,374,897       | 3,851,938       | 4,309,782       |
| Total primary government net (expense)          | \$ (25,925,164) | \$ (24,387,196) | \$ (25,766,757) | \$ (30,867,941) | \$ (32,190,778) |

<sup>(1)</sup> Net (Expense) Revenue is the difference between the expenses and program revenues. It indicates the degree to which a function or program is supported with its own fees and program-specific grants and its reliance upon funding from general revenues.

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SCHEDULE A-2  
(Continued)

|    |                     | Fiscal Year |                     |      |                     |      |                     |    |                     |
|----|---------------------|-------------|---------------------|------|---------------------|------|---------------------|----|---------------------|
|    |                     | 2017        | 2018                | 2019 | 2020                | 2021 |                     |    |                     |
| \$ | 6,920,055           | \$          | 7,121,076           | \$   | 7,880,707           | \$   | 9,614,755           | \$ | 11,253,544          |
|    | 20,805,316          |             | 22,087,266          |      | 23,156,683          |      | 23,297,022          |    | 25,505,514          |
|    | 35,856,581          |             | 37,655,551          |      | 36,578,683          |      | 39,400,204          |    | 46,912,818          |
|    | 4,276,747           |             | 4,641,430           |      | 4,829,124           |      | 5,178,908           |    | 5,156,439           |
|    | 3,137,354           |             | 3,348,183           |      | 3,291,238           |      | 3,187,110           |    | 3,473,198           |
|    | 4,405,444           |             | 4,384,174           |      | 4,393,614           |      | 4,301,255           |    | 4,491,160           |
|    | 586,606             |             | 604,607             |      | 621,300             |      | 694,616             |    | 702,302             |
|    | 84,311              |             | 87,061              |      | 37,977              |      | 66,581              |    | 76,838              |
|    | <u>76,072,414</u>   |             | <u>79,929,348</u>   |      | <u>80,789,326</u>   |      | <u>85,740,451</u>   |    | <u>97,571,813</u>   |
|    | 574,436             |             | 655,689             |      | 774,282             |      | 842,859             |    | 821,716             |
|    | 4,522,491           |             | 4,956,621           |      | 5,233,699           |      | 5,653,279           |    | 6,861,283           |
|    | 80,081              |             | 2,578,144           |      | 4,019,088           |      | 1,556,717           |    | 1,383,434           |
|    | (251,749)           |             | 49,629              |      | 1,016,432           |      | 898,935             |    | (38,945)            |
|    | 414,596             |             | 450,662             |      | 386,497             |      | 9,191,215           |    | 21,013,137          |
|    | 339,090             |             | 375,950             |      | 406,593             |      | 388,942             |    | 419,997             |
|    | <u>5,678,945</u>    |             | <u>9,066,695</u>    |      | <u>11,836,591</u>   |      | <u>18,531,947</u>   |    | <u>30,460,622</u>   |
| \$ | <u>81,751,359</u>   | \$          | <u>88,996,043</u>   | \$   | <u>92,625,917</u>   | \$   | <u>104,272,398</u>  | \$ | <u>128,032,435</u>  |
| \$ | 5,182,354           | \$          | 4,986,966           | \$   | 5,150,621           | \$   | 4,631,524           | \$ | 5,087,572           |
|    | 250,636             |             | 267,724             |      | 351,836             |      | 293,948             |    | 447,607             |
|    | 1,502,243           |             | 2,119,895           |      | 2,043,492           |      | 2,186,607           |    | 2,099,760           |
|    | 266,759             |             | 272,208             |      | 274,257             |      | 272,613             |    | 331,010             |
|    | 344,710             |             | 351,419             |      | 398,537             |      | 387,081             |    | 294,541             |
|    | 260,096             |             | 233,922             |      | 252,861             |      | 318,386             |    | 198,573             |
|    | 88,213              |             | 89,863              |      | 98,834              |      | 93,555              |    | 96,723              |
|    | 27,968,095          |             | 29,889,510          |      | 29,279,568          |      | 34,671,497          |    | 46,652,949          |
|    | 2,250,743           |             | 2,490,930           |      | 2,310,034           |      | 2,076,859           |    | 2,151,796           |
|    | <u>38,113,849</u>   |             | <u>40,702,437</u>   |      | <u>40,160,040</u>   |      | <u>44,932,070</u>   |    | <u>57,360,531</u>   |
|    | 1,175,815           |             | 1,234,814           |      | 1,278,487           |      | 1,189,112           |    | 1,111,855           |
|    | 6,150,021           |             | 6,709,553           |      | 7,197,221           |      | 7,570,838           |    | 9,061,022           |
|    | 1,203,757           |             | 1,306,875           |      | 1,618,782           |      | 1,631,661           |    | 1,240,225           |
|    | 457,842             |             | 636,471             |      | 1,762,853           |      | 764,072             |    | 1,107,314           |
|    | 821,223             |             | 663,818             |      | 583,516             |      | 526,593             |    | 1,145,159           |
|    | 449,732             |             | 478,163             |      | 532,419             |      | 459,066             |    | 515,831             |
|    | 4,948               |             | 12,168              |      | 5,186               |      | 6,846,808           |    | 18,685,308          |
|    | 5,948               |             | 43,022              |      | 12,903              |      | 14,170              |    | 999                 |
|    | <u>10,269,286</u>   |             | <u>11,084,884</u>   |      | <u>12,991,367</u>   |      | <u>19,002,320</u>   |    | <u>32,867,713</u>   |
| \$ | <u>48,383,135</u>   | \$          | <u>51,787,321</u>   | \$   | <u>53,151,407</u>   | \$   | <u>63,934,390</u>   | \$ | <u>90,228,244</u>   |
| \$ | (37,958,565)        | \$          | (39,226,911)        | \$   | (40,629,286)        | \$   | (40,808,381)        | \$ | (40,211,282)        |
|    | 4,590,341           |             | 2,018,189           |      | 1,154,776           |      | 470,373             |    | 2,407,091           |
| \$ | <u>(33,368,224)</u> | \$          | <u>(37,208,722)</u> | \$   | <u>(39,474,510)</u> | \$   | <u>(40,338,008)</u> | \$ | <u>(37,804,191)</u> |

**Changes in Net Position  
For the Last Ten Fiscal Years  
(in thousands)**

(Accrual Basis of Accounting)

**General Revenues and Other Changes in  
Net Position**

|  | Fiscal Year          |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2012                 | 2013                 | 2014                 | 2015                 | 2016                 |
| Governmental activities:                       |                      |                      |                      |                      |                      |
| Taxes  |                      |                      |                      |                      |                      |
| Sales and use tax                              | \$ 18,632,812        | \$ 19,914,591        | \$ 21,255,958        | \$ 22,916,865        | \$ 24,255,828        |
| Fuel taxes                                     | 2,515,654            | 2,580,843            | 2,680,381            | 2,799,442            | 2,934,580            |
| Corporate income tax                           | 2,042,537            | 2,055,440            | 2,043,380            | 2,236,690            | 2,181,244            |
| Documentary stamp tax                          | 1,289,321            | 1,662,044            | 1,806,604            | 2,118,466            | 2,284,854            |
| Intangible personal property tax               | 190,247              | 279,047              | 254,236              | 305,131              | 341,418              |
| Communication service tax                      | 1,389,752            | 1,422,775            | 1,317,185            | 1,261,598            | 1,030,801            |
| Beverage and tobacco taxes                     | 1,847,468            | 1,700,095            | 1,631,109            | 1,647,809            | 1,589,210            |
| Insurance premium tax                          | 884,180              | 907,004              | 917,693              | 914,710              | 940,747              |
| Gross receipts utilities tax                   | 611,534              | 588,765              | 614,337              | 779,056              | 777,404              |
| Other taxes                                    | 1,068,535            | 1,142,373            | 1,187,566            | 1,241,641            | 1,282,545            |
| Investment earnings (loss)                     | 288,425              | 104,112              | 346,868              | 138,726              | 327,804              |
| Gain (loss) on sale of capital assets          | (21,408)             | (62,746)             | (36,506)             | (94,099)             | 90,007               |
| Miscellaneous                                  | —                    | —                    | —                    | —                    | —                    |
| Transfers                                      | 1,452,437            | 1,534,368            | 996,993              | 1,568,396            | 1,671,350            |
| <b>Total governmental activities</b>           | <b>32,191,494</b>    | <b>33,828,711</b>    | <b>35,015,804</b>    | <b>37,834,431</b>    | <b>39,707,792</b>    |
| Business-type activities:                      |                      |                      |                      |                      |                      |
| Investment earnings (loss)                     | 5,148                | 496                  | 3,957                | 2,212                | 6,594                |
| Gain (loss) on sale of capital assets          | (717)                | (4,679)              | (2,579)              | (13,238)             | (154,186)            |
| Emergency assessments                          | 456,797              | 490,011              | 498,560              | 256,884              | 3,064                |
| Miscellaneous                                  | 1,056                | 740                  | 1,050                | 4,223                | 555                  |
| Transfers                                      | (1,452,437)          | (1,534,368)          | (996,993)            | (1,568,396)          | (1,671,350)          |
| <b>Total business-type activities</b>          | <b>(990,153)</b>     | <b>(1,047,800)</b>   | <b>(496,005)</b>     | <b>(1,318,315)</b>   | <b>(1,815,323)</b>   |
| <b>Total primary government</b>                | <b>\$ 31,201,341</b> | <b>\$ 32,780,911</b> | <b>\$ 34,519,799</b> | <b>\$ 36,516,116</b> | <b>\$ 37,892,469</b> |
| <b>Change in Net Position</b>                  |                      |                      |                      |                      |                      |
| Governmental activities                        | \$ 2,352,717         | \$ 4,579,007         | \$ 3,874,150         | \$ 3,114,552         | \$ 3,207,232         |
| Business-type activities                       | 2,923,460            | 3,814,708            | 4,878,892            | 2,533,623            | 2,494,459            |
| <b>Total primary government <sup>(2)</sup></b> | <b>\$ 5,276,177</b>  | <b>\$ 8,393,715</b>  | <b>\$ 8,753,042</b>  | <b>\$ 5,648,175</b>  | <b>\$ 5,701,691</b>  |

<sup>(2)</sup> See Schedule A-1 for ending net asset balances for reported years.

| Fiscal Year          |                      |                      |                      |                      |  |
|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| 2017                 | 2018                 | 2019                 | 2020                 | 2021                 |  |
| \$ 25,333,464        | \$ 26,781,181        | \$ 27,999,274        | \$ 26,936,491        | \$ 30,451,674        |  |
| 3,016,110            | 3,111,590            | 3,254,839            | 3,048,047            | 3,160,743            |  |
| 2,383,783            | 2,412,220            | 3,114,711            | 2,509,887            | 3,153,000            |  |
| 2,427,903            | 2,517,733            | 2,648,213            | 2,829,050            | 4,137,123            |  |
| 370,421              | 376,744              | 386,168              | 488,765              | 708,962              |  |
| 933,454              | 1,031,288            | 941,415              | 927,396              | 901,874              |  |
| 1,521,059            | 1,465,590            | 1,445,638            | 1,398,145            | 1,438,733            |  |
| 959,339              | 1,084,872            | 1,178,214            | 1,225,176            | 1,491,830            |  |
| 767,388              | 793,809              | 806,447              | 732,663              | 780,822              |  |
| 1,309,079            | 882,784              | 902,273              | 904,529              | 927,067              |  |
| 61,669               | 231,040              | 661,924              | 886,544              | (415,279)            |  |
| (166,526)            | (49,064)             | (289,470)            | 5,111                | (14,195)             |  |
| —                    | —                    | —                    | 1                    | 21,303               |  |
| 1,540,720            | 1,087,452            | 1,864,750            | 1,762,981            | 2,337,291            |  |
| <u>40,457,863</u>    | <u>41,727,239</u>    | <u>44,914,396</u>    | <u>43,654,786</u>    | <u>49,080,948</u>    |  |
| (696)                | 4,400                | 13,106               | 11,173               | (6,989)              |  |
| (799)                | (6,248)              | (2,494)              | (998)                | (2,704)              |  |
| 300                  | 192                  | 81                   | —                    | —                    |  |
| 1,018                | 2,973                | 2,810                | 3,174                | 1,092                |  |
| <u>(1,540,720)</u>   | <u>(1,087,452)</u>   | <u>(1,864,750)</u>   | <u>(1,762,981)</u>   | <u>(2,337,291)</u>   |  |
| <u>(1,540,897)</u>   | <u>(1,086,135)</u>   | <u>(1,851,247)</u>   | <u>(1,749,632)</u>   | <u>(2,345,892)</u>   |  |
| <u>\$ 38,916,966</u> | <u>\$ 40,641,104</u> | <u>\$ 43,063,149</u> | <u>\$ 41,905,154</u> | <u>\$ 46,735,056</u> |  |
| \$ 2,499,298         | \$ 2,500,328         | \$ 4,285,110         | \$ 2,846,405         | \$ 8,869,666         |  |
| 3,049,444            | 932,055              | (696,471)            | (1,279,259)          | 61,199               |  |
| <u>\$ 5,548,742</u>  | <u>\$ 3,432,383</u>  | <u>\$ 3,588,639</u>  | <u>\$ 1,567,146</u>  | <u>\$ 8,930,865</u>  |  |



**Fund Balances**  
**Governmental Funds**  
**Last Ten Fiscal Years**  
**(in thousands)**  
 (Modified Accrual Basis of Accounting)

|  | Fiscal Year          |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2012                 | 2013                 | 2014                 | 2015                 | 2016                 |
| <b>General Fund (Per GASB 54):</b>             |                      |                      |                      |                      |                      |
| Nonspendable                                   | \$ 33,323            | \$ 27,518            | \$ 36,142            | \$ 19,120            | \$ 26,800            |
| Restricted                                     | 49,739               | 60,359               | 90,396               | 89,190               | 74,750               |
| Committed                                      | 982,189              | 746,914              | 903,183              | 921,750              | 1,032,466            |
| Unassigned                                     | 3,735,358            | 5,322,056            | 5,444,736            | 5,878,552            | 5,694,315            |
| Total general fund                             | <u>4,800,609</u>     | <u>6,156,847</u>     | <u>6,474,457</u>     | <u>6,908,612</u>     | <u>6,828,331</u>     |
| Percent change from prior year                 | 32.35 %              | 28.25 %              | 5.16 %               | 6.71 %               | -1.16 %              |
| <b>Other Governmental Funds (Per GASB 54):</b> |                      |                      |                      |                      |                      |
| Nonspendable                                   | 74,260               | 117,133              | 95,290               | 47,641               | 74,129               |
| Restricted                                     | 4,651,214            | 5,301,861            | 5,553,343            | 5,906,581            | 5,986,279            |
| Committed                                      | 4,389,415            | 4,880,459            | 5,920,057            | 5,350,800            | 5,926,436            |
| Unassigned                                     | —                    | (743,777)            | (808,982)            | (883,674)            | (851,275)            |
| Total other governmental funds                 | <u>9,114,889</u>     | <u>9,555,676</u>     | <u>10,759,708</u>    | <u>10,421,348</u>    | <u>11,135,569</u>    |
| <b>Total Governmental Funds <sup>(1)</sup></b> | <u>\$ 13,915,498</u> | <u>\$ 15,712,523</u> | <u>\$ 17,234,165</u> | <u>\$ 17,329,960</u> | <u>\$ 17,963,900</u> |
| Percent change from prior year                 | 0.46 %               | 12.91 %              | 9.68 %               | 0.56 %               | 3.66 %               |

<sup>(1)</sup> See Schedule A-4 for changes in fund balances from year to year.

| Fiscal Year   |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|
| 2017          | 2018          | 2019          | 2020          | 2021          |
| \$ 20,932     | \$ 16,142     | \$ 15,768     | \$ 11,959     | \$ 11,130     |
| 71,000        | 39,684        | 55,171        | 73,252        | 64,503        |
| 1,168,162     | 1,239,072     | 1,274,538     | 1,293,157     | 1,509,709     |
| 5,419,306     | 5,842,506     | 7,476,330     | 7,864,662     | 12,618,756    |
| 6,679,400     | 7,137,404     | 8,821,807     | 9,243,030     | 14,204,098    |
| -2.18%        | 6.86%         | 23.60%        | 4.77%         | 53.67%        |
| 88,324        | 73,629        | 51,906        | 42,513        | 43,116        |
| 5,973,257     | 5,734,273     | 5,992,712     | 5,841,516     | 6,118,415     |
| 5,976,254     | 6,116,770     | 6,075,788     | 6,310,740     | 7,576,298     |
| (904,334)     | (888,359)     | (821,050)     | (858,577)     | (910,380)     |
| 11,133,501    | 11,036,313    | 11,299,356    | 11,336,192    | 12,827,449    |
| \$ 17,812,901 | \$ 18,173,717 | \$ 20,121,163 | \$ 20,579,222 | \$ 27,031,547 |
| -0.84%        | 2.03%         | 10.72%        | 2.28%         | 31.35%        |

**Changes in Fund Balances**  
**Governmental Funds**  
**Last Ten Fiscal Years**  
**(in thousands)**  
 (Modified Accrual Basis of Accounting)

|  | Fiscal Year       |                     |                     |                   |                   |
|--|-------------------|---------------------|---------------------|-------------------|-------------------|
|  | 2012              | 2013                | 2014                | 2015              | 2016              |
| <b>Revenues</b>  |                   |                     |                     |                   |                   |
| Taxes  | \$ 30,480,459     | \$ 32,173,233       | \$ 33,712,162       | \$ 36,289,996     | \$ 37,650,476     |
| Licenses and permits   | 1,519,256         | 1,851,362           | 1,903,517           | 1,897,328         | 2,032,352         |
| Fees and charges   | 5,236,550         | 4,930,332           | 4,827,751           | 4,843,738         | 3,838,867         |
| Grants and donations   | 25,891,493        | 27,596,477          | 28,886,209          | 28,744,814        | 29,696,010        |
| Investment earnings (losses)                                       | 461,343           | 191,892             | 481,773             | 246,533           | 512,562           |
| Fines, forfeits, settlements and judgments                         | 1,234,008         | 1,537,935           | 866,209             | 797,391           | 841,078           |
| Other  | 171,866           | 148,442             | 565,212             | 704,131           | 733,943           |
| Total revenues   | <u>64,994,975</u> | <u>68,429,673</u>   | <u>71,242,833</u>   | <u>73,523,931</u> | <u>75,305,288</u> |
| <b>Expenditures</b>  |                   |                     |                     |                   |                   |
| <b>Current:</b>  |                   |                     |                     |                   |                   |
| General government   | 6,363,177         | 6,416,211           | 6,177,769           | 6,551,304         | 6,669,232         |
| Education  | 16,960,772        | 17,149,935          | 18,723,050          | 19,087,014        | 19,662,950        |
| Human services   | 29,663,993        | 30,594,941          | 32,888,676          | 34,183,874        | 34,502,757        |
| Criminal justice and corrections                                   | 4,106,400         | 4,025,052           | 3,673,356           | 3,829,083         | 3,908,252         |
| Natural resources and environment                                  | 2,095,042         | 2,206,123           | 2,351,663           | 2,423,631         | 2,717,900         |
| Transportation   | 3,183,656         | 3,730,419           | 3,726,115           | 3,910,663         | 4,426,536         |
| Judicial branch  | 401,216           | 445,686             | 475,097             | 497,318           | 504,072           |
| Capital outlay   | 2,276,467         | 2,424,648           | 2,105,023           | 2,448,442         | 2,417,671         |
| Gain/(loss) on disposal of general fixed assets                    | —                 | —                   | —                   | —                 | —                 |
| <b>Debt service:</b>   |                   |                     |                     |                   |                   |
| Principal retirement   | 1,310,958         | 1,270,667           | 1,012,513           | 1,448,950         | 1,142,026         |
| Interest and fiscal charges  | 1,019,426         | 960,974             | 894,496             | 958,558           | 849,980           |
| Total expenditures   | <u>67,381,107</u> | <u>69,224,656</u>   | <u>72,027,758</u>   | <u>75,338,837</u> | <u>76,801,376</u> |
| Excess (deficiency) of revenues<br>over expenditures               | (2,386,132)       | (794,983)           | (784,925)           | (1,814,906)       | (1,496,088)       |
| <b>Other Financing Sources (Uses)</b>                              |                   |                     |                     |                   |                   |
| Proceeds of bond issues  | 317,936           | 229,511             | 298,118             | 45,165            | 57,398            |
| Proceeds of refunding bonds  | 2,799,911         | 1,759,221           | 807,336             | 1,923,687         | 1,791,321         |
| Proceeds of financing agreements                                   | 662,553           | 631,503             | 383,524             | 288,391           | 233,131           |
| Operating transfers in   | 9,611,610         | 9,648,910           | 9,215,113           | 9,364,500         | 9,735,795         |
| Operating transfers out  | (8,141,874)       | (8,097,250)         | (7,590,188)         | (7,787,355)       | (7,977,382)       |
| Payments to refunded bond agent                                    | (2,799,911)       | (1,759,221)         | (807,336)           | (1,923,687)       | (1,791,321)       |
| Total other financing sources (uses)                               | <u>2,450,225</u>  | <u>2,412,674</u>    | <u>2,306,567</u>    | <u>1,910,701</u>  | <u>2,048,942</u>  |
| Net change in fund balances  | <u>\$ 64,093</u>  | <u>\$ 1,617,691</u> | <u>\$ 1,521,642</u> | <u>\$ 95,795</u>  | <u>\$ 552,854</u> |
| <b>Debt Service as a Percentage of<br/>Noncapital Expenditures</b> |                   |                     |                     |                   |                   |
|  | 3.5 %             | 3.3 %               | 2.7 %               | 3.3 %             | 2.7 %             |

2021 STATE OF FLORIDA ACFR

SCHEDULE A-4

|    |             | Fiscal Year |             |      |             |      |             |    |              |
|----|-------------|-------------|-------------|------|-------------|------|-------------|----|--------------|
|    |             | 2017        | 2018        | 2019 | 2020        | 2021 |             |    |              |
| \$ | 39,034,702  | \$          | 40,473,470  | \$   | 42,684,416  | \$   | 40,980,841  | \$ | 47,125,309   |
|    | 2,126,261   |             | 2,268,941   |      | 2,221,598   |      | 2,041,437   |    | 2,242,010    |
|    | 3,983,785   |             | 4,344,609   |      | 4,380,169   |      | 4,155,847   |    | 4,317,585    |
|    | 30,103,652  |             | 32,243,096  |      | 31,379,504  |      | 36,960,719  |    | 48,703,949   |
|    | 112,511     |             | 348,503     |      | 920,929     |      | 1,158,299   |    | (483,201)    |
|    | 1,289,474   |             | 807,165     |      | 1,108,662   |      | 938,994     |    | 1,327,877    |
|    | 616,558     |             | 792,758     |      | 713,563     |      | 727,470     |    | 940,532      |
|    | 77,266,943  |             | 81,278,542  |      | 83,408,841  |      | 86,963,607  |    | 104,174,061  |
|    | 6,826,395   |             | 6,994,032   |      | 7,745,467   |      | 9,595,258   |    | 10,959,862   |
|    | 20,324,681  |             | 21,679,600  |      | 22,804,005  |      | 23,003,050  |    | 25,240,802   |
|    | 35,808,456  |             | 37,487,402  |      | 36,413,466  |      | 39,350,038  |    | 46,795,271   |
|    | 4,027,094   |             | 4,275,750   |      | 4,451,590   |      | 4,532,817   |    | 4,545,059    |
|    | 2,970,959   |             | 3,215,081   |      | 3,115,076   |      | 3,054,429   |    | 3,331,421    |
|    | 4,162,072   |             | 4,272,185   |      | 4,232,866   |      | 4,152,176   |    | 4,356,301    |
|    | 516,516     |             | 528,739     |      | 540,114     |      | 548,851     |    | 570,471      |
|    | 2,908,107   |             | 2,844,370   |      | 3,290,372   |      | 3,128,355   |    | 2,742,444    |
|    | —           |             | (319)       |      | —           |      | —           |    | —            |
|    | 1,331,004   |             | 1,533,293   |      | 1,316,905   |      | 1,507,275   |    | 1,535,020    |
|    | 824,928     |             | 751,256     |      | 650,395     |      | 624,058     |    | 576,120      |
|    | 79,700,212  |             | 83,581,389  |      | 84,560,256  |      | 89,496,307  |    | 100,652,771  |
|    | (2,433,269) |             | (2,302,847) |      | (1,151,415) |      | (2,532,700) |    | 3,521,290    |
|    | 257,400     |             | 417,571     |      | 625,953     |      | 397,761     |    | 886,129      |
|    | 1,446,829   |             | 1,376,618   |      | 1,229,094   |      | 1,381,184   |    | 1,652,126    |
|    | 327,122     |             | 440,672     |      | 429,892     |      | 519,983     |    | 272,909      |
|    | 9,858,172   |             | 10,176,908  |      | 11,036,970  |      | 11,407,677  |    | 13,720,152   |
|    | (8,142,270) |             | (8,296,488) |      | (8,993,953) |      | (9,355,147) |    | (11,344,958) |
|    | (1,446,829) |             | (1,376,618) |      | (1,229,093) |      | (1,381,184) |    | (1,652,126)  |
|    | 2,300,424   |             | 2,738,663   |      | 3,098,861   |      | 2,990,274   |    | 3,534,232    |
| \$ | (132,845)   | \$          | 435,816     | \$   | 1,947,446   | \$   | 457,574     | \$ | 7,055,522    |
|    | 2.8 %       |             | 2.8 %       |      | 2.4 %       |      | 2.4 %       |    | 2.2 %        |

**Revenue Base/Rate  
Taxable Sales by Industry  
Last Ten Calendar Years  
(in thousands)**

| Industry                                   | Calendar Year         |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 2011                  | 2012                  | 2013                  | 2014                  | 2015                  |
| Agriculture                                | \$ 596,792            | \$ 593,296            | \$ 502,451            | \$ 683,513            | \$ 341,849            |
| Mining                                     | 298,240               | 331,665               | 316,989               | 424,416               | 465,381               |
| Construction                               | 2,842,128             | 3,126,150             | 2,649,600             | 3,777,419             | 3,955,275             |
| Manufacturing                              | 11,266,856            | 11,662,104            | 10,836,540            | 13,703,157            | 14,726,621            |
| Transportation                             | 8,856,974             | 8,634,841             | 7,396,529             | 9,357,588             | 9,780,692             |
| Communications <sup>(1)</sup>              | 14,763,448            | 14,512,956            | 14,133,220            | 13,664,244            | 13,356,227            |
| Wholesale                                  | 9,229,711             | 10,112,139            | 11,115,462            | 12,987,380            | 14,212,567            |
| Retail trade                               | 151,111,126           | 158,134,617           | 169,417,669           | 182,082,864           | 196,600,925           |
| Finance and insurance                      | 38,567,529            | 39,688,012            | 41,602,427            | 45,026,905            | 48,580,481            |
| Services                                   | 73,627,822            | 77,920,525            | 80,461,679            | 89,269,937            | 96,681,482            |
| Government                                 | 345,639               | 320,316               | 315,398               | 344,302               | 447,860               |
| Other                                      | 782,997               | 3,032,508             | 1,525,473             | 3,276,640             | 1,124,777             |
| <b>Total</b>                               | <b>\$ 312,289,262</b> | <b>\$ 328,069,129</b> | <b>\$ 340,273,437</b> | <b>\$ 374,598,365</b> | <b>\$ 400,274,137</b> |
| State direct sales tax rate <sup>(2)</sup> | 6.0%                  | 6.0%                  | 6.0%                  | 6.0%                  | 6.0%                  |

Note: Taxable sales information is available for reporting on a calendar-year basis only.

(1) Taxable sales associated with communications services tax.

(2) The sales tax rate on non-residential electricity was 7.0% for utility service provided prior to July 1, 2014. For utility service on or after July 1, 2014, the state sales tax rate is 4.35%. The sales tax rate on communication services (nonresidential phone and all cable) was 6.8% from October 1, 2001 until August 1, 2010 when it was reduced to 6.65%. It was further reduced to 4.92% effective July 1, 2015. The sales tax rate on amusement machines is 4.0%. Farm equipment is tax-exempt.

Source: Florida Department of Revenue

| Calendar Year         |                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2016                  | 2017                  | 2018                  | 2019                  | 2020                  |
| \$ 368,630            | \$ 369,427            | \$ 422,984            | \$ 435,817            | \$ 460,372            |
| 480,200               | 457,267               | 502,548               | 502,629               | 546,173               |
| 4,313,115             | 4,417,777             | 4,732,668             | 4,975,150             | 4,888,668             |
| 16,166,532            | 16,900,270            | 18,534,298            | 19,592,528            | 19,312,927            |
| 9,536,571             | 10,117,226            | 10,112,997            | 10,921,958            | 9,996,931             |
| 12,579,292            | 12,755,358            | 12,670,839            | 12,194,459            | 11,826,504            |
| 15,659,435            | 17,031,207            | 19,354,520            | 20,993,960            | 21,693,918            |
| 204,810,062           | 211,447,513           | 221,938,314           | 228,009,017           | 233,194,503           |
| 52,026,830            | 55,845,421            | 61,746,877            | 65,480,181            | 60,487,159            |
| 101,451,337           | 105,536,357           | 110,943,075           | 115,993,468           | 88,780,639            |
| 434,667               | 475,304               | 530,359               | 564,072               | 415,381               |
| 937,406               | 395,293               | 499,328               | 531,577               | 536,148               |
| <u>\$ 418,764,077</u> | <u>\$ 435,748,420</u> | <u>\$ 461,988,807</u> | <u>\$ 480,194,816</u> | <u>\$ 452,139,323</u> |
| 6.0%                  | 6.0%                  | 6.0%                  | 6.0%                  | 6.0%                  |

**Principal Sales Tax Payers by Industry  
For Calendar Years 2020 and 2011  
(dollars are in thousands)**

SCHEDULE B-2

| Industry                      | Calendar Year 2020 |                      |                     | Calendar Year 2011 |                      |                     |
|-------------------------------|--------------------|----------------------|---------------------|--------------------|----------------------|---------------------|
|                               | Number of filers   | Sales Tax Liability  | Percentage of Total | Number of filers   | Sales Tax Liability  | Percentage of Total |
| Agriculture                   | 3,167              | \$ 32,018            | 0.10 %              | 4,700              | \$ 38,879            | 0.19 %              |
| Mining                        | 680                | 36,796               | 0.12 %              | 786                | 19,355               | 0.09 %              |
| Construction                  | 11,413             | 331,959              | 1.07 %              | 8,998              | 185,344              | 0.90 %              |
| Manufacturing                 | 35,493             | 1,319,249            | 4.27 %              | 31,423             | 734,518              | 3.56 %              |
| Transportation and utilities  | 6,273              | 725,080              | 2.34 %              | 6,237              | 631,261              | 3.06 %              |
| Communications <sup>(1)</sup> | 3,220              | 581,864              | 1.88 %              | 3,542              | 981,769              | 4.76 %              |
| Wholesale                     | 48,773             | 1,496,882            | 4.84 %              | 40,893             | 606,425              | 2.94 %              |
| Retail trade                  | 254,935            | 15,954,160           | 51.58 %             | 245,708            | 9,898,584            | 47.98 %             |
| Finance and insurance         | 215,750            | 4,113,603            | 13.31 %             | 192,275            | 2,551,138            | 12.37 %             |
| Services                      | 177,649            | 6,272,289            | 20.28 %             | 149,215            | 4,906,386            | 23.78 %             |
| Government                    | 291                | 27,671               | 0.09 %              | 195                | 24,162               | 0.12 %              |
| Other                         | 1,884              | 36,454               | 0.12 %              | 3,886              | 51,724               | 0.25 %              |
| <b>Total</b>                  | <b>759,528</b>     | <b>\$ 30,928,025</b> | <b>100.00 %</b>     | <b>687,858</b>     | <b>\$ 20,629,545</b> | <b>100.00 %</b>     |

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available for reporting. The categories presented are intended to provide alternative information regarding the sources of the state's revenue. In addition, some of the categories from the revenue base/rate schedule have been combined in preparing this schedule.

Taxable sales information is available for reporting on a calendar-year basis only.

<sup>(1)</sup> Communication service tax rate was reduced from 6.65% to 4.92% starting July 2015.

Source: Florida Department of Revenue

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**Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in millions, except per capita)**

SCHEDULE C-1

| Governmental Activities |                       |                 |  |  |                               |                    |  |
|-------------------------|-----------------------|-----------------|--|--|-------------------------------|--------------------|--|
| Fiscal Year             | Full Faith and Credit | Pledged Revenue | Installment Purchases and Capital Leases | Public-Private Partnerships <sup>(1)</sup> | Certificates of Participation | Total Governmental |  |
| 2012                    | \$ 13,405             | \$ 6,760        | \$ 60                                    | \$ 1,649                                   | \$ 766                        | \$ 22,640          |  |
| 2013                    | 12,656                | 6,014           | 69                                       | 2,280                                      | 723                           | 21,742             |  |
| 2014                    | 11,816                | 6,104           | 69                                       | 2,308                                      | 676                           | 20,973             |  |
| 2015                    | 11,080                | 5,395           | 62                                       | 2,202                                      | 615                           | 19,354             |  |
| 2016                    | 10,712                | 5,099           | 63                                       | 2,388                                      | 573                           | 18,835             |  |
| 2017                    | 9,984                 | 4,395           | 56                                       | 2,396                                      | 533                           | 17,364             |  |
| 2018                    | 9,693                 | 3,778           | 40                                       | 2,457                                      | 492                           | 16,460             |  |
| 2019                    | 9,375                 | 3,466           | 24                                       | 2,681                                      | 422                           | 15,968             |  |
| 2020                    | 9,406                 | 3,379           | 40                                       | 2,766                                      | 384                           | 15,975             |  |
| 2021                    | 8,798                 | 3,482           | 45                                       | 2,708                                      | 335                           | 15,368             |  |

Note: Details regarding the state's outstanding debt can be found in Notes 8 and 9 to the Financial Statements.

<sup>(1)</sup> Refer to Notes 9 and 10 for further detail.

<sup>(2)</sup> Tax-supported revenues are comprised of State General Revenue receipts, including primarily sales and use tax revenues, and revenues generated from taxes specifically pledged for repayment of debt. See Schedule C-3 for a more complete description of tax-supported revenues.

<sup>(3)</sup> Population data used in calculation of this ratio can be found in Schedule D-1.

## Business-type Activities

| Pledged Revenue | Public-Private Partnerships <sup>(1)</sup> | Installment Purchases and Capital Leases | Total Primary Government | Debt as a Percentage of Tax-supported Revenues <sup>(2)</sup> | Debt Per Capita <sup>(3)</sup> |
|-----------------|--|--|--------------------------|---|--------------------------------|
| \$ 7,990        | \$ —                                       | \$ —                                     | \$ 30,630                | 99.75 %   | \$ 1,605.88                    |
| 6,107           | —  | 4  | 27,853                   | 86.14 %   | 1,446.18                       |
| 5,823           | 345  | 21                                       | 27,162                   | 80.60 %   | 1,392.40                       |
| 4,808           | 376  | 19                                       | 24,557                   | 69.47 %   | 1,239.31                       |
| 6,001           | 321  | 17                                       | 25,174                   | 66.97 %   | 1,249.41                       |
| 5,350           | 262  | 16                                       | 22,992                   | 59.04 %   | 1,122.43                       |
| 5,174           | 218  | 29                                       | 21,881                   | 53.31 %   | 1,049.92                       |
| 4,885           | 215  | 16                                       | 21,084                   | 49.18 %   | 994.13                         |
| 4,521           | 214  | 15                                       | 20,718                   | 50.31 %   | 959.35                         |
| 7,047           | 212  | 8  | 22,635                   | 47.64 %   | 1,033.61                       |

**Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
(dollars in millions, except per capita)**

SCHEDULE C-2

| General Bonded Debt Outstanding |                       |                               |           |                      |                                     |  |                                |
|---------------------------------|-----------------------|-------------------------------|-----------|----------------------|-------------------------------------|--|--------------------------------|
| Fiscal Year                     | Full Faith and Credit | Certificates of Participation | Total     | Restricted Resources | Net General Bonded Debt Outstanding | Debt as a Percentage of Tax-supported Revenue <sup>(1)</sup> | Debt Per Capita <sup>(2)</sup> |
| 2012                            | \$ 13,405             | \$ 766                        | \$ 14,171 | \$ 290               | \$ 13,881                           | 45.20 %  | \$ 727.76                      |
| 2013                            | 12,656                | 723                           | 13,379    | 280                  | 13,099                              | 40.51 %  | 680.13                         |
| 2014                            | 11,816                | 676                           | 12,492    | 263                  | 12,229                              | 36.29 %  | 626.89                         |
| 2015                            | 11,080                | 615                           | 11,695    | 248                  | 11,447                              | 32.38 %  | 577.69                         |
| 2016                            | 10,712                | 573                           | 11,285    | 252                  | 11,033                              | 29.35 %  | 547.58                         |
| 2017                            | 9,984                 | 533                           | 10,517    | 218                  | 10,299                              | 26.45 %  | 544.78                         |
| 2018                            | 9,693                 | 492                           | 10,185    | 163                  | 10,022                              | 24.42 %  | 480.89                         |
| 2019                            | 9,375                 | 422                           | 9,797     | 80                   | 9,717                               | 22.66 %  | 458.16                         |
| 2020                            | 9,406                 | 384                           | 9,790     | 30                   | 9,760                               | 23.70 %  | 451.92                         |
| 2021                            | 8,798                 | 335                           | 9,133     | 33                   | 9,100                               | 19.15 %  | 415.56                         |

Note: Details regarding the state's outstanding debt can be found in Notes 8 and 9 to the Financial Statements.

<sup>(1)</sup> Tax-supported revenues are comprised of State General Revenue receipts, including primarily sales and use tax revenues, and revenues generated from taxes specifically pledged for repayment of debt. See Schedule C-3 for a more complete description of tax-supported revenues.

<sup>(2)</sup> Population data used in calculation of this ratio can be found in Schedule D-1.

**Legal Debt Margin  
Last Ten Fiscal Years  
(dollars in millions)**

Legal debt margin calculated for fiscal year 2020-2021:

|   |                      |
|---|----------------------|
| Tax-supported revenues <sup>(1)</sup>           | \$47,510             |
| Debt limit <sup>(2)</sup>                       | 2,851                |
| Debt applicable to limit:                       |                      |
| Aggregate debt service on<br>tax-supported debt | <u>2,041</u>         |
| Legal debt margin                               | <u><u>\$ 810</u></u> |

|   | <u>2012<sup>(3)</sup></u> | <u>2013<sup>(3)</sup></u> | <u>2014</u>          | <u>2015</u>          | <u>2016</u>          | <u>2017</u>          | <u>2018</u>          | <u>2019</u>          | <u>2020</u>          | <u>2021</u>          |
|---|---------------------------|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt limit <sup>(2)</sup>   | \$1,843                   | \$1,940                   | \$2,022              | \$2,121              | \$2,255              | \$2,337              | \$2,463              | \$2,572              | \$2,471              | \$2,851              |
| Total debt applicable to limit  | <u>2,191</u>              | <u>2,196</u>              | <u>1,887</u>         | <u>1,971</u>         | <u>2,053</u>         | <u>2,178</u>         | <u>2,295</u>         | <u>1,989</u>         | <u>2,263</u>         | <u>2,041</u>         |
| Legal debt margin   | <u><u>\$ (348)</u></u>    | <u><u>\$ (256)</u></u>    | <u><u>\$ 135</u></u> | <u><u>\$ 150</u></u> | <u><u>\$ 202</u></u> | <u><u>\$ 159</u></u> | <u><u>\$ 168</u></u> | <u><u>\$ 583</u></u> | <u><u>\$ 208</u></u> | <u><u>\$ 810</u></u> |
| Total net debt applicable to the<br>limit as a percentage of debt<br>limit. | 118.88 %                  | 113.20 %                  | 93.32 %              | 92.93 %              | 91.03 %              | 93.20 %              | 93.18 %              | 77.33 %              | 91.58 %              | 71.59 %              |

<sup>(1)</sup> For purposes of this Schedule C-3, tax-supported revenues are comprised of the general revenues of the state, including primarily sales and use tax receipts, and the specific state tax revenues pledged for payment of debt service. Tax-supported debt is debt secured by the full faith and credit of the state or payable from general revenue or specified state tax sources. As of June 30, 2021, the total outstanding balance of tax-supported debt was approximately \$14,668,300,000.

<sup>(2)</sup> The state debt fiscal responsibility policy, Section 215.98, Florida Statutes, establishes the ratio of tax-supported debt service to tax-supported revenues as the benchmark debt ratio for purposes of setting the state's legal debt margin. Under the present policy, if the ratio exceeds 6%, additional tax-supported debt may be authorized only if the legislature determines the additional debt is in the best interest of the state. If the ratio exceeds 7%, additional tax-supported debt may be authorized only if the legislature determines it is necessary to address a critical state emergency. The 6% ratio has been used to determine the debt limit in this schedule.

<sup>(3)</sup> In Fiscal Years 2012 and 2013 tax-supported debt service exceeded 7% of tax-supported revenues.

Source: Florida State Board of Administration, Division of Bond Finance

**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

The schedules below contain information regarding revenues pledged to repay debt obligations. For each bond type, the schedules disclose Gross Revenue, Operating Expenses, Net Revenue Available for Debt Service, Principal, Interest, and Coverage Ratio. The bond types with operating expenses are considered self-supporting debt and are paid from the associated facilities being financed. If operating expenses are not shown, the bond type is considered to be Net Tax Supported Debt and serviced by dedicated tax or fee revenues.

| Year Ended<br>6/30                                  | Revenue <sup>(1)</sup> | Less<br>Operating<br>Expenses | Net Available<br>for Debt<br>Service | Debt Service              |                         | Coverage<br>Ratio   |
|---|------------------------|-------------------------------|--------------------------------------|---------------------------|-------------------------|---------------------|
|   |                        |                               |                                      | Debt Service<br>Principal | Interest <sup>(2)</sup> |                     |
| <b>Florida Turnpike</b>                             |                        |                               |                                      |                           |                         |                     |
| 2012  | 620,201                | 173,704                       | 446,497                              | 105,060                   | 138,179                 | 1.84                |
| 2013  | 767,985                | 157,388                       | 610,597                              | 111,680                   | 133,549                 | 2.49                |
| 2014  | 808,374                | 157,343                       | 651,031                              | 116,398                   | 130,033                 | 2.64                |
| 2015  | 894,589                | 177,160                       | 717,429                              | 120,990                   | 132,991                 | 2.82                |
| 2016  | 987,149                | 192,458                       | 794,691                              | 129,620                   | 131,805                 | 3.04                |
| 2017  | 1,044,530              | 208,198                       | 836,332                              | 133,590                   | 123,804                 | 3.25                |
| 2018  | 1,063,729              | 233,020                       | 830,709                              | 140,640                   | 115,874                 | 3.24                |
| 2019  | 1,078,094              | 238,344                       | 839,750                              | 143,680                   | 115,300                 | 3.24                |
| 2020  | 995,849                | 242,882                       | 752,967                              | 135,870                   | 116,025                 | 2.99                |
| 2021  | 1,012,690              | 252,491                       | 760,199                              | 145,130                   | 112,665                 | 2.95                |
| <b>Florida Forever/Preservation 2000/Everglades</b> |                        |                               |                                      |                           |                         |                     |
| 2012  | 729,901                | —                             | 729,901                              | 321,675                   | 104,460                 | 1.71                |
| 2013  | 950,700                | —                             | 950,700                              | 345,485                   | 88,253                  | 2.19                |
| 2014  | 1,049,500              | —                             | 1,049,500                            | 97,960                    | 72,963                  | 6.14                |
| 2015  | 1,229,100              | —                             | 1,229,100                            | 102,715                   | 67,113                  | 7.24                |
| 2016  | 2,276,900              | —                             | 2,276,900                            | 106,415                   | 63,456                  | 13.40               |
| 2017  | 2,417,800              | —                             | 2,417,800                            | 110,955                   | 58,213                  | 14.29               |
| 2018  | 2,510,000              | —                             | 2,510,000                            | 112,810                   | 51,784                  | 15.25               |
| 2019  | 2,651,100              | —                             | 2,651,100                            | 116,305                   | 45,272                  | 16.41               |
| 2020  | 2,874,900              | —                             | 2,874,900                            | 116,703                   | 40,943                  | 18.24               |
| 2021  | 4,082,800              | —                             | 4,082,800                            | 122,425                   | 35,178                  | 25.91               |
| <b>Lottery Education <sup>(3)</sup></b>             |                        |                               |                                      |                           |                         |                     |
| 2012  | 1,321,663              | —                             | 1,321,663                            | 176,845                   | 134,745                 | 4.24                |
| 2013  | 1,424,307              | —                             | 1,424,307                            | 185,661                   | 125,883                 | 4.57                |
| 2014  | 1,495,409              | —                             | 1,495,409                            | 194,105                   | 118,649                 | 4.78                |
| 2015  | 1,496,371              | —                             | 1,496,371                            | 203,389                   | 108,556                 | 4.80                |
| 2016  | 1,692,551              | —                             | 1,692,551                            | 211,921                   | 98,398                  | 5.45                |
| 2017  | 1,656,348              | —                             | 1,656,348                            | 219,805                   | 85,327                  | 5.43                |
| 2018  | 1,758,329              | —                             | 1,758,329                            | 244,688                   | 71,054                  | 5.57                |
| 2019  | 1,927,054              | —                             | 1,927,054                            | 199,770                   | 57,290                  | 7.50                |
| 2020  | 1,913,799              | —                             | 1,913,799                            | 170,170                   | 47,385                  | 8.80                |
| 2021  | 2,236,639              | —                             | 2,236,639                            | 136,873                   | 38,760                  | 12.73               |
| <b>Alligator Alley</b>                              |                        |                               |                                      |                           |                         |                     |
| 2012  | 19,647                 | 7,243                         | 12,404                               | 1,590                     | 1,858                   | 3.60                |
| 2013  | 25,115                 | 7,409                         | 17,706                               | 1,660                     | 1,790                   | 5.13                |
| 2014  | 26,755                 | 8,272                         | 18,483                               | 1,740                     | 1,707                   | 5.36                |
| 2015  | 28,601                 | 8,525                         | 20,076                               | 1,830                     | 1,620                   | 5.82                |
| 2016  | 30,656                 | 8,757                         | 21,899                               | 1,920                     | 1,529                   | 6.35                |
| 2017  | 32,383                 | 8,594                         | 23,789                               | 2,015                     | 1,433                   | 6.90                |
| 2018  | 33,003                 | 9,973                         | 23,030                               | 1,765                     | 1,031                   | 8.24                |
| 2019  | 34,749                 | 10,416                        | 24,333                               | 1,805                     | 994                     | 8.70                |
| 2020  | 31,290                 | 10,135                        | 21,155                               | 1,895                     | 903                     | 7.56                |
| 2021  | 33,943                 | 11,109                        | 22,834                               | 1,990                     | 809                     | 8.16                |
| <b>Sunshine Skyway</b>                              |                        |                               |                                      |                           |                         |                     |
| 2019  | 28,809                 | 8,756                         | 20,053                               | —                         | —                       | 2.92 <sup>(4)</sup> |
| 2020  | 26,348                 | 7,814                         | 18,534                               | 2,480                     | 4,391                   | 2.70                |
| 2021  | 26,617                 | 9,264                         | 17,353                               | 3,025                     | 3,848                   | 2.52                |

| Year Ended 6/30   | Revenue <sup>(1)</sup> | Less Operating Expenses | Net Available for Debt Service | Debt Service           |                         | Coverage Ratio |
|---|------------------------|-------------------------|--------------------------------|------------------------|-------------------------|----------------|
|   |                        |                         |                                | Debt Service Principal | Interest <sup>(2)</sup> |                |
| <b>State Infrastructure Bank</b>  |                        |                         |                                |                        |                         |                |
| 2012  | 76,531                 | —                       | 76,531                         | 11,200                 | 4,548                   | 4.86           |
| 2013  | 64,368                 | —                       | 64,368                         | 9,955                  | 3,988                   | 4.62           |
| 2014  | 69,407                 | —                       | 69,407                         | 10,710                 | 3,491                   | 4.89           |
| 2015  | 56,750                 | —                       | 56,750                         | 10,085                 | 2,955                   | 4.35           |
| 2016  | 51,131                 | —                       | 51,131                         | 8,845                  | 2,451                   | 4.53           |
| 2017  | 47,269                 | —                       | 47,269                         | 8,655                  | 2,009                   | 4.43           |
| 2018  | 43,041                 | —                       | 43,041                         | 8,160                  | 1,576                   | 4.42           |
| 2019  | 35,362                 | —                       | 35,362                         | 7,200                  | 1,168                   | 4.23           |
| 2020  | 29,607                 | —                       | 29,607                         | 6,400                  | 808                     | 4.11           |
| 2021  | 29,008                 | —                       | 29,008                         | 3,560                  | 488                     | 7.17           |
| <b>Florida Hurricane Catastrophe Fund Finance Corporation<sup>(5)</sup></b> |                        |                         |                                |                        |                         |                |
| 2012  | 1,791,238              | 14,642                  | 1,776,596                      | 282,660                | 121,597                 | 4.38           |
| 2013  | 1,746,135              | 17,071                  | 1,729,064                      | 3,796,795              | 80,687                  | 0.44 (6)       |
| 2014  | 1,789,748              | 17,650                  | 1,772,098                      | 300,000                | 83,746                  | 4.61           |
| 2015  | 1,564,480              | 18,687                  | 1,545,793                      | 325,000                | 65,194                  | 3.95           |
| 2016  | 1,205,500              | 18,774                  | 1,186,726                      | —                      | 44,052                  | 26.93          |
| 2017  | 1,181,244              | 19,505                  | 1,161,739                      | —                      | 46,758                  | 24.84          |
| 2018  | 1,252,540              | 19,548                  | 1,232,992                      | —                      | 34,590                  | 35.64          |
| 2019  | 1,559,827              | 23,544                  | 1,536,283                      | —                      | —                       | N/A            |
| 2020  | 1,187,643              | 80,576                  | 1,107,067                      | —                      | 6,778                   | 163.33         |
| 2021  | 1,205,946              | 24,120                  | 1,181,826                      | —                      | 60,725                  | 19.46          |
| <b>State University System Bonds</b>  |                        |                         |                                |                        |                         |                |
| 2012  | 40,055                 | —                       | 40,055                         | 16,495                 | 10,766                  | 1.47           |
| 2013  | 51,730                 | —                       | 51,730                         | 17,335                 | 9,614                   | 1.92           |
| 2014  | 55,766                 | —                       | 55,766                         | 12,835                 | 8,796                   | 2.58           |
| 2015  | 53,960                 | —                       | 53,960                         | 13,460                 | 8,032                   | 2.51           |
| 2016  | 55,768                 | —                       | 55,768                         | 14,010                 | 7,352                   | 2.61           |
| 2017  | 56,193                 | —                       | 56,193                         | 9,390                  | 6,740                   | 3.48           |
| 2018  | 58,324                 | —                       | 58,324                         | 9,525                  | 5,765                   | 3.81           |
| 2019  | 58,547                 | —                       | 58,547                         | 9,945                  | 4,576                   | 4.03           |
| 2020  | 58,796                 | —                       | 58,796                         | 10,295                 | 4,093                   | 4.09           |
| 2021  | 59,488                 | —                       | 59,488                         | 10,760                 | 3,619                   | 4.14           |
| <b>University Auxiliary Bonds</b>   |                        |                         |                                |                        |                         |                |
| <b>Parking System Revenue Bonds</b>   |                        |                         |                                |                        |                         |                |
| <b>Florida International University</b>                                     |                        |                         |                                |                        |                         |                |
| 2012  | 11,435                 | 4,673                   | 6,762                          | 2,710                  | 2,865                   | 1.21           |
| 2013  | 12,663                 | 4,062                   | 8,601                          | 2,815                  | 2,151                   | 1.73           |
| 2014  | 13,762                 | 5,032                   | 8,730                          | 2,655                  | 3,023                   | 1.54           |
| 2015  | 13,845                 | 4,863                   | 8,982                          | 2,875                  | 3,457                   | 1.42           |
| 2016  | 14,377                 | 5,676                   | 8,702                          | 3,000                  | 3,321                   | 1.38           |
| 2017  | 15,651                 | 6,202                   | 9,449                          | 3,135                  | 3,192                   | 1.49           |
| 2018  | 15,275                 | 5,600                   | 9,675                          | 3,280                  | 3,047                   | 1.53           |
| 2019  | 15,601                 | 6,296                   | 9,304                          | 3,430                  | 2,893                   | 1.47           |
| 2020  | 13,759                 | 6,963                   | 6,796                          | 2,785                  | 2,487                   | 1.29           |
| 2021  | 13,502                 | 5,770                   | 7,732                          | 2,920                  | 2,352                   | 1.47           |
| <b>University of South Florida</b>  |                        |                         |                                |                        |                         |                |
| 2012  | 13,549                 | 7,944                   | 5,605                          | 2,130                  | 1,429                   | 1.57           |
| 2013  | 13,187                 | 7,799                   | 5,388                          | 2,205                  | 1,354                   | 1.51           |
| 2014  | 13,783                 | 7,661                   | 6,122                          | 2,285                  | 1,272                   | 1.72           |
| 2015  | 13,905                 | 7,942                   | 5,964                          | 2,380                  | 1,179                   | 1.68           |
| 2016  | 14,150                 | 8,148                   | 6,002                          | 2,485                  | 1,075                   | 1.69           |
| 2017  | 13,977                 | 7,880                   | 6,097                          | 2,340                  | 717                     | 1.99           |
| 2018  | 14,701                 | 8,526                   | 6,175                          | 2,495                  | 441                     | 2.10           |
| 2019  | 15,111                 | 8,327                   | 6,784                          | 2,550                  | 386                     | 2.31           |
| 2020  | 13,066                 | 8,571                   | 4,495                          | 2,610                  | 330                     | 1.53           |
| 2021  | 9,216                  | 7,886                   | 1,330                          | 2,665                  | 273                     | 0.45           |

**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

SCHEDULE C-4  
(Continued)

| Year Ended 6/30   | Revenue <sup>(1)</sup> | Less Operating Expenses | Net Available for Debt Service | Debt Service           |                         | Coverage Ratio      |
|---|------------------------|-------------------------|--------------------------------|------------------------|-------------------------|---------------------|
|   |                        |                         |                                | Debt Service Principal | Interest <sup>(2)</sup> |                     |
| <b>Florida Agricultural &amp; Mechanical University</b> |                        |                         |                                |                        |                         |                     |
| 2012  | 2,708                  | 1,261                   | 1,447                          | 160                    | 70                      | 6.29                |
| 2013  | 2,422                  | 1,538                   | 884                            | 170                    | 61                      | 3.82                |
| 2014  | 2,216                  | 1,501                   | 715                            | 180                    | 53                      | 3.07                |
| 2015  | 2,195                  | 1,118                   | 1,077                          | 190                    | 43                      | 4.62                |
| 2016  | 1,942                  | 1,039                   | 903                            | 200                    | 33                      | 3.87                |
| 2017  | 1,877                  | 1,171                   | 706                            | 210                    | 23                      | 3.03                |
| 2018  | 1,922                  | 1,597                   | 325                            | 220                    | 12                      | 1.40 <sup>(7)</sup> |
| <b>University of Florida</b>                            |                        |                         |                                |                        |                         |                     |
| 2012  | 12,255                 | 7,320                   | 4,935                          | 2,075                  | 1,055                   | 1.58                |
| 2013  | 11,988                 | 7,545                   | 4,443                          | 2,165                  | 965                     | 1.42                |
| 2014  | 12,499                 | 7,176                   | 5,323                          | 2,260                  | 870                     | 1.70                |
| 2015  | 12,530                 | 7,294                   | 5,236                          | 1,510                  | 791                     | 2.28                |
| 2016  | 13,093                 | 7,298                   | 5,794                          | 1,570                  | 729                     | 2.52                |
| 2017  | 13,920                 | 7,811                   | 6,109                          | 1,640                  | 662                     | 2.63                |
| 2018  | 14,801                 | 6,197                   | 8,604                          | 980                    | 537                     | 5.67                |
| 2019  | 15,744                 | 6,330                   | 9,414                          | 1,020                  | 820                     | 5.12                |
| 2020  | 12,660                 | 6,893                   | 5,767                          | 1,810                  | 1,761                   | 1.61                |
| 2021  | 12,078                 | 6,253                   | 5,825                          | 1,900                  | 1,668                   | 1.63                |
| <b>Florida Atlantic University</b>                      |                        |                         |                                |                        |                         |                     |
| 2012  | 6,962                  | 3,486                   | 3,476                          | 805                    | 456                     | 2.76                |
| 2013  | 7,324                  | 2,821                   | 4,503                          | 835                    | 544                     | 3.27                |
| 2014  | 7,161                  | 3,164                   | 3,997                          | 1,300                  | 779                     | 1.92                |
| 2015  | 7,072                  | 4,103                   | 2,969                          | 1,325                  | 753                     | 1.43                |
| 2016  | 7,277                  | 4,208                   | 3,069                          | 1,365                  | 713                     | 1.48                |
| 2017  | 7,327                  | 3,135                   | 4,192                          | 1,405                  | 672                     | 2.02                |
| 2018  | 7,230                  | 2,977                   | 4,253                          | 1,460                  | 616                     | 2.05                |
| 2019  | 7,325                  | 2,897                   | 4,428                          | 1,515                  | 558                     | 2.14                |
| 2020  | 7,085                  | 2,131                   | 4,954                          | 1,600                  | 482                     | 2.38                |
| 2021  | 6,202                  | 1,793                   | 4,409                          | 1,670                  | 402                     | 2.13                |
| <b>University of Central Florida</b>                    |                        |                         |                                |                        |                         |                     |
| 2012  | 18,576                 | 3,149                   | 15,427                         | 2,880                  | 1,833                   | 3.27                |
| 2013  | 19,199                 | 3,545                   | 15,654                         | 3,065                  | 1,674                   | 3.30                |
| 2014  | 19,251                 | 3,335                   | 15,916                         | 3,275                  | 1,639                   | 3.24                |
| 2015  | 21,248                 | 3,445                   | 17,803                         | 3,410                  | 1,505                   | 3.62                |
| 2016  | 21,972                 | 4,204                   | 17,768                         | 3,540                  | 1,374                   | 3.62                |
| 2017  | 22,189                 | 3,962                   | 18,227                         | 3,150                  | 1,218                   | 4.17                |
| 2018  | 22,597                 | 3,890                   | 18,707                         | 3,280                  | 1,081                   | 4.29                |
| 2019  | 25,185                 | 4,214                   | 20,971                         | 2,765                  | 973                     | 5.61                |
| 2020  | 20,278                 | 4,224                   | 16,054                         | 2,776                  | 740                     | 4.57                |
| 2021  | 19,210                 | 3,964                   | 15,246                         | 2,190                  | 688                     | 5.30                |
| <b>Florida State University</b>                         |                        |                         |                                |                        |                         |                     |
| 2012  | 11,104                 | 2,347                   | 8,757                          | 3,395                  | 2,223                   | 1.56                |
| 2013  | 11,879                 | 2,660                   | 9,219                          | 3,515                  | 2,112                   | 1.64                |
| 2014  | 11,045                 | 3,027                   | 8,018                          | 3,620                  | 1,994                   | 1.43                |
| 2015  | 11,892                 | 3,204                   | 8,688                          | 3,025                  | 1,903                   | 1.76                |
| 2016  | 11,669                 | 3,298                   | 8,371                          | 3,050                  | 1,771                   | 1.74                |
| 2017  | 12,175                 | 3,515                   | 8,660                          | 3,165                  | 1,549                   | 1.84                |
| 2018  | 12,241                 | 3,248                   | 8,993                          | 3,389                  | 1,351                   | 1.90                |
| 2019  | 12,174                 | 3,133                   | 9,040                          | 3,506                  | 1,230                   | 1.91                |
| 2020  | 12,577                 | 2,881                   | 9,696                          | 3,651                  | 1,091                   | 2.04                |
| 2021  | 11,717                 | 3,226                   | 8,491                          | 3,791                  | 946                     | 1.79                |

| Year Ended<br>6/30                                      | Revenue <sup>(1)</sup> | Less<br>Operating<br>Expenses | Net Available<br>for Debt<br>Service | Debt Service              |                         | Coverage<br>Ratio |
|---|------------------------|-------------------------------|--------------------------------------|---------------------------|-------------------------|-------------------|
|   |                        |                               |                                      | Debt Service<br>Principal | Interest <sup>(2)</sup> |                   |
| <b>Housing System Revenue Bonds</b>                     |                        |                               |                                      |                           |                         |                   |
| <b>Florida Agricultural &amp; Mechanical University</b> |                        |                               |                                      |                           |                         |                   |
| 2013  | 11,600                 | 6,856                         | 4,744                                | 1,216                     | 3,145                   | 1.09              |
| 2014  | 11,146                 | 7,297                         | 3,849                                | 2,684                     | 3,228                   | 0.65              |
| 2015  | 14,068                 | 7,499                         | 6,569                                | 2,820                     | 3,096                   | 1.11              |
| 2016  | 14,910                 | 7,605                         | 7,304                                | 2,959                     | 2,957                   | 1.23              |
| 2017  | 14,524                 | 6,608                         | 7,916                                | 3,110                     | 2,811                   | 1.34              |
| 2018  | 16,219                 | 8,031                         | 8,188                                | 3,266                     | 2,658                   | 1.38              |
| 2019  | 16,047                 | 9,707                         | 6,340                                | 815                       | 1,731                   | 2.49              |
| 2020  | 14,953                 | 11,004                        | 3,949                                | 2,998                     | 1,459                   | 0.89              |
| <b>Florida International University</b>                 |                        |                               |                                      |                           |                         |                   |
| 2012  | 25,069                 | 14,049                        | 11,020                               | 3,765                     | 3,395                   | 1.54              |
| 2013  | 25,991                 | 14,149                        | 11,842                               | 3,975                     | 4,691                   | 1.37              |
| 2014  | 30,469                 | 16,622                        | 13,847                               | 5,175                     | 4,521                   | 1.43              |
| 2015  | 29,110                 | 14,529                        | 14,582                               | 5,390                     | 4,312                   | 1.50              |
| 2016  | 30,611                 | 13,141                        | 17,469                               | 5,465                     | 3,840                   | 1.88              |
| 2017  | 29,939                 | 16,856                        | 13,083                               | 3,750                     | 3,668                   | 1.76              |
| 2018  | 31,280                 | 17,720                        | 13,560                               | 3,915                     | 3,503                   | 1.83              |
| 2019  | 31,728                 | 17,079                        | 14,649                               | 4,100                     | 3,319                   | 1.97              |
| 2020  | 21,378                 | 10,890                        | 10,488                               | 4,275                     | 3,138                   | 1.41              |
| 2021  | 17,435                 | 9,786                         | 7,649                                | 4,470                     | 2,816                   | 1.05              |
| <b>University of Florida</b>                            |                        |                               |                                      |                           |                         |                   |
| 2012  | 45,673                 | 33,519                        | 12,154                               | 2,630                     | 2,265                   | 2.48              |
| 2013  | 48,964                 | 32,770                        | 16,194                               | 3,680                     | 3,125                   | 2.38              |
| 2014  | 52,210                 | 35,004                        | 17,206                               | 3,500                     | 3,040                   | 2.63              |
| 2015  | 54,588                 | 35,076                        | 19,512                               | 4,580                     | 3,509                   | 2.41              |
| 2016  | 59,717                 | 38,192                        | 21,524                               | 4,705                     | 3,346                   | 2.67              |
| 2017  | 57,787                 | 39,120                        | 18,667                               | 4,800                     | 3,058                   | 2.38              |
| 2018  | 56,893                 | 37,308                        | 19,585                               | 5,045                     | 2,779                   | 2.50              |
| 2019  | 56,544                 | 39,483                        | 17,061                               | 5,255                     | 2,553                   | 2.19              |
| 2020  | 47,776                 | 35,057                        | 12,719                               | 4,560                     | 2,332                   | 1.85              |
| 2021  | 40,161                 | 31,295                        | 8,866                                | 4,765                     | 2,128                   | 1.29              |
| <b>Florida Atlantic University</b>                      |                        |                               |                                      |                           |                         |                   |
| 2012  | 16,299                 | 6,419                         | 9,880                                | 2,585                     | 3,177                   | 1.71              |
| 2013  | 16,498                 | 7,481                         | 9,017                                | 2,690                     | 3,077                   | 1.56              |
| 2014  | 15,898                 | 7,153                         | 8,745                                | 2,795                     | 2,971                   | 1.52              |
| 2015  | 14,828                 | 7,574                         | 7,254                                | 2,900                     | 2,862                   | 1.26              |
| 2016  | 16,665                 | 8,136                         | 8,529                                | 3,020                     | 2,746                   | 1.48              |
| 2017  | 17,859                 | 8,844                         | 9,015                                | 3,130                     | 2,434                   | 1.62              |
| 2018  | 18,072                 | 7,676                         | 10,396                               | 2,935                     | 2,452                   | 1.93              |
| 2019  | 19,698                 | 8,233                         | 11,466                               | 3,045                     | 2,335                   | 2.13              |
| 2020  | 16,724                 | 7,287                         | 9,437                                | 3,210                     | 2,182                   | 1.75              |
| 2021  | 13,930                 | 6,535                         | 7,395                                | 3,365                     | 2,022                   | 1.37              |
| <b>University of Central Florida</b>                    |                        |                               |                                      |                           |                         |                   |
| 2012  | 24,712                 | 11,910                        | 12,802                               | 2,985                     | 3,382                   | 2.01              |
| 2013  | 25,577                 | 14,208                        | 11,369                               | 3,125                     | 5,117                   | 1.38              |
| 2014  | 29,316                 | 17,450                        | 11,866                               | 3,125                     | 5,117                   | 1.44              |
| 2015  | 29,455                 | 14,831                        | 14,624                               | 4,225                     | 4,565                   | 1.66              |
| 2016  | 30,882                 | 16,641                        | 14,241                               | 4,395                     | 4,400                   | 1.62              |
| 2017  | 31,063                 | 16,274                        | 14,789                               | 4,580                     | 4,210                   | 1.68              |
| 2018  | 30,085                 | 16,417                        | 13,668                               | 4,795                     | 3,987                   | 1.56              |
| 2019  | 32,299                 | 18,720                        | 13,579                               | 5,040                     | 3,593                   | 1.57              |
| 2020  | 26,231                 | 18,880                        | 7,351                                | 5,030                     | 3,307                   | 0.88              |
| 2021  | 22,902                 | 15,304                        | 7,598                                | 5,270                     | 3,064                   | 0.91              |



**Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(dollars in thousands)**

| Year<br>Ended<br>6/30   | Revenue <sup>(1)</sup> | Less<br>Operating<br>Expenses | Net Available<br>for Debt<br>Service | Debt Service              |                         | Coverage<br>Ratio |
|---|------------------------|-------------------------------|--------------------------------------|---------------------------|-------------------------|-------------------|
|   |                        |                               |                                      | Debt Service<br>Principal | Interest <sup>(2)</sup> |                   |
| <b>Florida State University</b>   |                        |                               |                                      |                           |                         |                   |
| 2012  | 35,639                 | 16,416                        | 19,223                               | 3,815                     | 5,998                   | 1.96              |
| 2013  | 39,011                 | 15,963                        | 23,048                               | 4,140                     | 5,652                   | 2.35              |
| 2014  | 42,203                 | 18,193                        | 24,010                               | 4,285                     | 6,886                   | 2.15              |
| 2015  | 43,194                 | 19,302                        | 23,892                               | 4,675                     | 6,774                   | 2.09              |
| 2016  | 45,281                 | 21,230                        | 24,051                               | 6,065                     | 7,841                   | 1.73              |
| 2017  | 43,690                 | 22,736                        | 20,955                               | 6,010                     | 7,971                   | 1.50              |
| 2018  | 49,798                 | 24,695                        | 25,103                               | 7,605                     | 7,691                   | 1.64              |
| 2019  | 49,179                 | 23,237                        | 25,942                               | 7,940                     | 7,345                   | 1.70              |
| 2020  | 45,691                 | 22,824                        | 22,867                               | 8,310                     | 6,990                   | 1.49              |
| 2021  | 34,598                 | 20,247                        | 14,351                               | 8,685                     | 6,610                   | 0.94              |
| <b>Student Health and Wellness Center Revenue Bonds<br/>University of Central Florida</b> |                        |                               |                                      |                           |                         |                   |
| 2012  | 12,754                 | —                             | 12,754                               | 345                       | 271                     | 20.70             |
| 2013  | 13,243                 | —                             | 13,243                               | 360                       | 256                     | 21.50             |
| 2014  | 14,127                 | —                             | 14,127                               | 375                       | 242                     | 22.90             |
| 2015  | 16,610                 | —                             | 16,610                               | 395                       | 226                     | 26.76             |
| 2016  | 16,992                 | —                             | 16,992                               | 410                       | 209                     | 27.45             |
| 2017  | 17,116                 | —                             | 17,116                               | 425                       | 191                     | 27.79             |
| 2018  | 17,519                 | —                             | 17,519                               | 445                       | 172                     | 28.40             |
| 2019  | 17,920                 | —                             | 17,920                               | 465                       | 152                     | 29.05             |
| <b>Florida State University</b>   |                        |                               |                                      |                           |                         |                   |
| 2012  | 13,404                 | —                             | 13,404                               | 1,075                     | 1,305                   | 5.63              |
| 2013  | 14,232                 | —                             | 14,232                               | 1,110                     | 1,272                   | 5.97              |
| 2014  | 13,851                 | —                             | 13,851                               | 1,155                     | 1,228                   | 5.81              |
| 2015  | 14,842                 | —                             | 14,842                               | 1,200                     | 1,182                   | 6.23              |
| 2016  | 14,794                 | —                             | 14,794                               | 1,245                     | 1,134                   | 6.22              |
| 2017  | 14,941                 | —                             | 14,941                               | 1,310                     | 1,072                   | 6.27              |
| 2018  | 15,026                 | —                             | 15,026                               | 1,360                     | 1,019                   | 6.32              |
| 2019  | 14,901                 | —                             | 14,901                               | 1,415                     | 965                     | 6.26              |
| 2020  | 15,452                 | —                             | 15,452                               | 1,470                     | 908                     | 6.50              |
| 2021  | 15,316                 | —                             | 15,316                               | 1,530                     | 849                     | 6.44              |
| <b>University of North Florida</b>  |                        |                               |                                      |                           |                         |                   |
| 2012  | 3,834                  | —                             | 3,834                                | 400                       | 929                     | 2.88              |
| 2013  | 3,985                  | —                             | 3,985                                | 410                       | 618                     | 3.88              |
| 2014  | 4,248                  | —                             | 4,248                                | 420                       | 627                     | 4.06              |
| 2015  | 4,243                  | —                             | 4,243                                | 435                       | 614                     | 4.04              |
| 2016  | 4,179                  | —                             | 4,179                                | 450                       | 600                     | 3.98              |
| 2017  | 4,187                  | —                             | 4,187                                | 460                       | 586                     | 4.00              |
| 2018  | 4,281                  | —                             | 4,281                                | 475                       | 572                     | 4.09              |
| 2019  | 4,484                  | —                             | 4,484                                | 490                       | 558                     | 4.28              |
| 2020  | 4,496                  | —                             | 4,496                                | 505                       | 539                     | 4.31              |
| 2021  | 4,348                  | —                             | 4,348                                | 540                       | 521                     | 4.10              |
| <b>Bookstore Revenue Bonds<br/>University of Central Florida</b>                          |                        |                               |                                      |                           |                         |                   |
| 2012  | 1,788                  | 485                           | 1,303                                | 220                       | 76                      | 4.40              |
| 2013  | 1,880                  | 401                           | 1,479                                | 230                       | 65                      | 5.02              |
| 2014  | 1,840                  | 548                           | 1,292                                | 240                       | 53                      | 4.41              |

| Year Ended<br>6/30                           | Revenue <sup>(1)</sup> | Less<br>Operating<br>Expenses | Net Available<br>for Debt<br>Service | Debt Service              |                         | Coverage<br>Ratio |
|--|------------------------|-------------------------------|--------------------------------------|---------------------------|-------------------------|-------------------|
|  |                        |                               |                                      | Debt Service<br>Principal | Interest <sup>(2)</sup> |                   |
| <b>Student Services Center Revenue Bonds</b> |                        |                               |                                      |                           |                         |                   |
| <b>University of Florida</b>                 |                        |                               |                                      |                           |                         |                   |
| 2014   | 21,347                 | —                             | 21,347                               | 1,045                     | 1,571                   | 8.16              |
| 2015   | 23,952                 | —                             | 23,952                               | 1,340                     | 1,891                   | 7.41              |
| 2016   | 25,861                 | —                             | 25,861                               | 1,410                     | 1,824                   | 8.00              |
| 2017   | 28,012                 | —                             | 28,012                               | 1,480                     | 1,754                   | 8.66              |
| 2018   | 28,504                 | —                             | 28,504                               | 1,555                     | 1,680                   | 8.81              |
| 2019   | 29,263                 | —                             | 29,263                               | 1,630                     | 1,602                   | 9.05              |
| 2020   | 29,504                 | —                             | 29,504                               | 1,715                     | 1,520                   | 9.12              |
| 2021   | 30,157                 | —                             | 30,157                               | 1,800                     | 1,435                   | 9.32              |
| <b>DOT Financing Corporation Bonds</b>       |                        |                               |                                      |                           |                         |                   |
| 2019   | 4,694,931              | —                             | 4,694,931                            | 9,205                     | 6,285                   | 303.10            |
| 2020   | 4,520,651              | —                             | 4,520,651                            | 7,900                     | 7,591                   | 291.82            |
| 2021   | 4,656,544              | —                             | 4,656,544                            | 12,015                    | 10,329                  | 208.41            |
| <b>GARVEE</b>                                |                        |                               |                                      |                           |                         |                   |
| 2020   | 1,993,118              | —                             | 1,993,118                            | 5,230                     | 4,005                   | 215.83            |
| 2021   | 1,907,826              | —                             | 1,907,826                            | 10,815                    | 7,749                   | 102.77            |
| <b>Water Pollution Control Bonds</b>         |                        |                               |                                      |                           |                         |                   |
| 2012   | 120,674                | —                             | 120,674                              | 25,405                    | 24,721                  | 2.41              |
| 2013   | 87,796                 | —                             | 87,796                               | 34,155                    | 23,514                  | 1.52              |
| 2014   | 90,986                 | —                             | 90,986                               | 34,840                    | 22,025                  | 1.60              |
| 2015   | 96,548                 | —                             | 96,548                               | 34,875                    | 20,534                  | 1.74              |
| 2016   | 86,109                 | —                             | 86,109                               | 32,930                    | 19,001                  | 1.66              |
| 2017   | 79,218                 | —                             | 79,218                               | 31,700                    | 17,500                  | 1.61              |
| 2018   | 78,977                 | —                             | 78,977                               | 28,770                    | 16,077                  | 1.76              |
| 2019   | 84,834                 | —                             | 84,834                               | 28,030                    | 14,664                  | 1.99              |
| 2020   | 93,421                 | —                             | 93,421                               | 27,790                    | 13,268                  | 2.28              |
| 2021   | 75,116                 | —                             | 75,116                               | 26,165                    | 4,658                   | 2.44              |
| <b>Inland Protection Bonds</b>               |                        |                               |                                      |                           |                         |                   |
| 2012   | 189,683                | —                             | 189,683                              | 5,335                     | 3,403                   | 21.71             |
| 2013   | 188,346                | —                             | 188,346                              | 5,605                     | 3,181                   | 21.44             |
| 2014   | 192,444                | —                             | 192,444                              | 5,885                     | 2,931                   | 21.83             |
| 2015   | 198,432                | —                             | 198,432                              | 6,180                     | 2,637                   | 22.50             |
| 2016   | 206,566                | —                             | 206,566                              | 6,485                     | 2,323                   | 23.45             |
| 2017   | 212,852                | —                             | 212,852                              | 6,810                     | 2,000                   | 24.16             |
| 2018   | 222,483                | —                             | 222,483                              | 7,000                     | 1,802                   | 25.28             |
| 2019   | 235,565                | —                             | 235,565                              | 7,205                     | 1,586                   | 26.80             |
| 2020   | 214,563                | —                             | 214,563                              | 3,245                     | 4,095                   | 29.23             |
| 2021   | 206,486                | —                             | 206,486                              | 5,005                     | 1,079                   | 33.94             |
| <b>Seaport Investment Program</b>            |                        |                               |                                      |                           |                         |                   |
| 2014   | 200,000                | —                             | 200,000                              | 2,387                     | 6,195                   | 23.30             |
| 2015   | 200,000                | —                             | 200,000                              | 2,145                     | 6,436                   | 23.31             |
| 2016   | 200,000                | —                             | 200,000                              | 2,250                     | 6,329                   | 23.31             |
| 2017   | 200,000                | —                             | 200,000                              | 2,365                     | 6,217                   | 23.31             |
| 2018   | 200,000                | —                             | 200,000                              | 2,485                     | 6,098                   | 23.30             |
| 2019   | 200,000                | —                             | 200,000                              | 2,605                     | 5,974                   | 23.31             |
| 2020   | 200,000                | —                             | 200,000                              | 2,740                     | 5,844                   | 23.30             |
| 2021   | 200,000                | —                             | 200,000                              | 2,875                     | 5,707                   | 23.31             |

<sup>(1)</sup> Refer to Note 8A.2. for information on the sources of pledged revenues.

<sup>(2)</sup> Debt service interest is shown net of interest subsidy payments received from the Federal Government for Build America Bonds.

<sup>(3)</sup> Source: Department of Lottery, Audited Financial Statements.

<sup>(4)</sup> Coverage shown based on maximum annual debt service of \$6,874,250 for illustrative purposes.

<sup>(5)</sup> Florida Hurricane Catastrophe Bonds debt service is reduced by interest earnings on bond proceeds and bond proceeds used to repay principal.

<sup>(6)</sup> In Fiscal Year 2008, Florida Hurricane Catastrophe Fund executed a \$3.5 billion liquidity bond issue. The proceeds of the issue were used to redeem the bonds at maturity in Fiscal Year 2013. The coverage ratio shown is based only on the net revenue and does not include the bond proceeds used to redeem the bonds. Including the bond proceeds, the coverage ratio is 1.35.

<sup>(7)</sup> FAMU Parking Bonds, Series 1997 final payment was in Fiscal Year 2018.

**Demographic and Economic Statistics  
For the Last Ten Calendar Years**

SCHEDULE D-1

| Year | Population        |                                |               |                                | Personal Income (in millions) |               |
|------|-------------------|--------------------------------|---------------|--------------------------------|-------------------------------|---------------|
|      | Florida - April 1 | Percent Change from Prior Year | U.S. - July 1 | Percent Change from Prior Year | Florida                       | U.S.          |
| 2012 | 19,134,956        | 0.98%                          | 313,830,990   | 0.73%                          | \$ 800,552                    | \$ 14,003,346 |
| 2013 | 19,337,590        | 1.06%                          | 315,993,715   | 0.69%                          | 802,976                       | 14,189,228    |
| 2014 | 19,585,096        | 1.28%                          | 318,301,008   | 0.73%                          | 861,412                       | 14,969,527    |
| 2015 | 19,879,230        | 1.50%                          | 320,635,163   | 0.73%                          | 919,835                       | 15,681,233    |
| 2016 | 20,201,450        | 1.62%                          | 322,941,311   | 0.72%                          | 954,070                       | 16,092,713    |
| 2017 | 20,524,865        | 1.60%                          | 324,985,539   | 0.63%                          | 1,023,131                     | 16,845,028    |
| 2018 | 20,854,945        | 1.61%                          | 326,687,501   | 0.52%                          | 1,087,189                     | 17,681,159    |
| 2019 | 21,189,849        | 1.61%                          | 328,239,523   | 0.48%                          | 1,139,799                     | 18,402,004    |
| 2020 | 21,538,187        | 1.64%                          | 331,501,080   | 0.99%                          | 1,209,996                     | 19,607,447    |
| 2021 | 21,898,945        | 1.67%                          | 331,893,745   | 0.12%                          | 1,315,865                     | 21,040,471    |

<sup>(1)</sup> Unemployment rates are annualized (average of monthly rates).

<sup>(2)</sup> School enrollment is by state fiscal year and other data are by calendar year, April 1, or July 1.

Note: Historical data are from the: U.S. Department of Commerce; University of Florida; U.S. Department of Labor; and Florida Department of Education. Forecast data are based on the Florida Demographic, National Economic, and Florida Economic Estimating Conferences (December 2021)

Sources: Florida Legislature, Florida Department of Education

**State of Florida  
Population by Age**

| Age Group   | 2000 Census | Percent | 2010 Census | Percent | 2021 Estimate | Percent |
|-------------|-------------|---------|-------------|---------|---------------|---------|
| 0 - 14      | 3,034,656   | 18.99%  | 3,284,608   | 17.47%  | 3,683,633     | 16.82%  |
| 15 - 24     | 1,942,430   | 12.15%  | 2,457,140   | 13.07%  | 2,604,496     | 11.89%  |
| 25 - 44     | 4,569,515   | 28.59%  | 4,720,799   | 25.11%  | 5,458,900     | 24.93%  |
| 45 - 64     | 3,628,573   | 22.70%  | 5,079,161   | 27.01%  | 5,595,866     | 25.55%  |
| 65 and Over | 2,807,650   | 17.57%  | 3,259,602   | 17.34%  | 4,556,050     | 20.80%  |
| Total       | 15,982,824  | 100.00% | 18,801,310  | 100.00% | 21,898,945    | 100.00% |

Source: 2021 total population estimate adjusted by interpolated age percentages from Florida Population Studies, Bulletin 190, June 2021, University of Florida, Bureau of Economic and Business Research. Year 2000 Census data incorporates adjustments for age misreporting prepared by the University of Florida, Bureau of Economic and Business Research.

| Per Capita Personal Income |           | Unemployment Rate <sup>(1)</sup> |      | Median Age | Public School Enrollment <sup>(2)</sup> |
|----------------------------|-----------|----------------------------------|------|------------|---|
| Florida                    | U.S.      | Florida                          | U.S. | Florida    | Florida                                 |
| \$ 41,837                  | \$ 44,621 | 8.6%                             | 8.1% | 41.0       | 2,667,830                               |
| 41,524                     | 44,904    | 7.5%                             | 7.4% | 41.1       | 2,691,322                               |
| 43,983                     | 47,029    | 6.4%                             | 6.2% | 41.3       | 2,720,074                               |
| 46,271                     | 48,907    | 5.5%                             | 5.3% | 41.5       | 2,756,127                               |
| 47,228                     | 49,832    | 4.9%                             | 4.9% | 41.6       | 2,791,244                               |
| 49,848                     | 51,833    | 4.2%                             | 4.4% | 41.6       | 2,817,076                               |
| 52,131                     | 54,123    | 3.6%                             | 3.9% | 41.7       | 2,833,115                               |
| 53,790                     | 56,063    | 3.3%                             | 3.7% | 41.7       | 2,846,857                               |
| 56,179                     | 59,147    | 7.7%                             | 8.1% | 41.8       | 2,858,949                               |
| 60,088                     | 63,395    | 4.7%                             | 5.4% | 41.9       | 2,791,687                               |

**Industry Sector Employment  
For Calendar Years 2020 and 2011  
(in thousands)**

SCHEDULE D-2

| Industry                            | Calendar Year 2020 |   | Calendar Year 2011 |   |
|-------------------------------------|--------------------|---|--------------------|---|
|                                     | Employment         | Percentage of Total Employment <sup>(1)</sup> | Employment         | Percentage of Total Employment <sup>(1)</sup> |
| Health Care and Social Assistance   | 1,142              | 13.33 %                                       | 954                | 13.00 %                                       |
| Retail Trade                        | 1,053              | 12.29 %                                       | 955                | 13.01 %                                       |
| Accommodation and Food Services     | 818                | 9.55 %  | 768                | 10.46 %                                       |
| Local Government                    | 713                | 8.32 %  | 711                | 9.69 %  |
| Administrative and Waste Services   | 641                | 7.48 %  | 517                | 7.04 %  |
| Professional and Technical Services | 601                | 7.01 %  | 442                | 6.02 %  |
| Construction                        | 561                | 6.55 %  | 336                | 4.58 %  |
| Finance and Insurance               | 406                | 4.74 %  | 334                | 4.55 %  |
| Manufacturing                       | 377                | 4.40 %  | 313                | 4.26 %  |
| Wholesale Trade                     | 344                | 4.01 %  | 307                | 4.18 %  |
| <b>Total</b>                        | <b>6,656</b>       | <b>77.68 %</b>                                | <b>5,637</b>       | <b>76.80 %</b>                                |

Note: Privacy requirements prevent the state from obtaining and reporting specific information about the largest employers in the state's jurisdiction. Reporting by industry reveals the degree of concentration in the state's total employment base.

In December 2020, Florida's seasonally adjusted total nonagricultural employment was 8,492,000, a decrease of 554,000 jobs (-6.1 percent) over the year. Then industry losing the most jobs was leisure and hospitality which was down 271,900 jobs over the year. From February 2020 to April 2020, Florida lost 1,269,200 jobs due to the effects of COVID-19. From April 2020 to December 2020, Florida gained back 689,100 of the jobs lost. December labor statistics reflect the continued effects of COVID-19 and the efforts to reopen businesses and services.

<sup>(1)</sup> "Employment" is being calculated based on average total employment by industry for each calendar year. Percentages of "Total" employment are based on the following:

|  | 2020         | 2011         |
|--|--------------|--------------|
| Total non-agricultural employment (in thousands) | 8,499        | 7,255        |
| Total agricultural employment (in thousands)     | 69           | 85           |
| <b>Total employment</b>                          | <b>8,568</b> | <b>7,340</b> |

Sources: Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research, Quarterly Census of Employment and Wages Program (for agricultural employment) and the U.S. Bureau of Labor Statistics, Current Employment Statistics Program (for all other industry data).

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**Full-time Equivalent (FTE) State Employees by Function  
Last Ten Fiscal Years**

| Function (state) <sup>(2)</sup>                  | Fiscal Year    |                |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | 2012           | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           |
| General Government                               | —              | —              | —              | —              | —              | —              | —              |
| Education  | —              | —              | —              | —              | —              | —              | —              |
| Human Services                                   | —              | —              | —              | —              | —              | —              | —              |
| Criminal Justice and Corrections                 | —              | —              | —              | —              | —              | —              | —              |
| Natural Resources and Environment                | —              | —              | —              | —              | —              | —              | —              |
| Transportation                                   | —              | —              | —              | —              | —              | —              | —              |
| Judicial Branch                                  | —              | —              | —              | —              | —              | —              | —              |
| <b>Total</b>                                     | <b>—</b>       | <b>—</b>       | <b>—</b>       | <b>—</b>       | <b>—</b>       | <b>—</b>       | <b>—</b>       |
| <b>Function (federal)</b>                        |                |                |                |                |                |                |                |
| Financial administration                         | 16,778         | 25,974         | 25,856         | 25,596         | 25,713         | 25,906         | 25,869         |
| Streets and highways                             | 6,116          | 5,821          | 5,827          | 5,810          | 5,685          | 5,647          | 5,662          |
| Public welfare                                   | 14,148         | 13,784         | 13,736         | 13,829         | 13,852         | 13,817         | 13,998         |
| Police protection                                | 5,201          | 5,181          | 5,314          | 5,395          | 5,306          | 5,384          | 5,452          |
| Natural resources and environment                | 7,437          | 7,245          | 7,185          | 7,143          | 7,126          | 6,995          | 7,094          |
| Health   | 15,437         | 14,957         | 14,414         | 13,448         | 13,418         | 13,104         | 13,156         |
| Housing and community development <sup>(1)</sup> | 39             | 87             | 44             | 42             | 78             | 73             | 79             |
| Community development <sup>(1)</sup>             | 53             | 37             | 36             | 34             | —              | —              | —              |
| Criminal justice and corrections                 | 35,875         | 25,524         | 24,114         | 25,376         | 24,661         | 24,858         | 25,174         |
| Utility and transportation                       | 270            | 269            | 259            | 257            | 245            | 253            | 246            |
| Employee security                                | 1,563          | 1,384          | 1,446          | 1,346          | 1,295          | 1,279          | 1,265          |
| Education  | 2,251          | 2,184          | 2,147          | 2,185          | 2,109          | 2,090          | 2,094          |
| Judicial branch                                  | 4,042          | 4,097          | 4,112          | 4,055          | 4,098          | 4,098          | 4,142          |
| Other  | 2,698          | 999            | 1,025          | 1,020          | 782            | 1,002          | 974            |
| <b>Total</b>                                     | <b>111,908</b> | <b>107,543</b> | <b>105,515</b> | <b>105,536</b> | <b>104,368</b> | <b>104,506</b> | <b>105,205</b> |

Note: FTE's are calculated based on a 40 hour work week. A numerical designator is based on 100% for a full-time employee (i.e., 1.00 point for a FTE working 40 hours). All others are prorated accordingly.

<sup>(1)</sup> In fiscal year 2015-16, a Legislative Budget Request from Department of Economic Opportunity was approved to combine the functions of Community Development with Housing.

<sup>(2)</sup> In fiscal year 2018-19, reporting by federal function was changed to reporting by state function to mirror the primary government functions presented within the Government-Wide Statement of Activities financial statement of the State of Florida's Annual Comprehensive Financial Report.

Sources: Florida Legislature, Florida State Board of Administration, Florida Department of Management Services





**Operating Indicators by Function  
Last Ten Fiscal Years**

|   | Fiscal Year |            |            |            |            |
|---|-------------|------------|------------|------------|------------|
|   | 2012        | 2013       | 2014       | 2015       | 2016       |
| <b>General Government</b>                                   |             |            |            |            |            |
| <b>Department of Revenue</b>                                |             |            |            |            |            |
| Total administered taxes ( <i>in millions \$</i> )          | 31,989      | 34,659     | 41,095     | 43,589     | 44,528     |
| <b>Department of Management Services <sup>(1)</sup></b>     |             |            |            |            |            |
| Number of retired members covered                           | 333,870     | 347,147    | 362,216    | 377,671    | 394,527    |
| <b>Education</b>  |             |            |            |            |            |
| <b>Universities</b>   |             |            |            |            |            |
| University enrollments                                      | 329,737     | 334,989    | 337,750    | 341,044    | 345,672    |
| Degrees awarded   | 79,323      | 81,260     | 83,001     | 84,445     | 86,118     |
| <b>Human Services</b>                                       |             |            |            |            |            |
| <b>Department of Health <sup>(2)</sup></b>                  |             |            |            |            |            |
| Number of live births                                       | 212,954     | 215,194    | 219,905    | 224,273    | 225,018    |
| Number of deaths  | 175,849     | 180,014    | 185,038    | 191,488    | 197,236    |
| <b>Department of Children and Families</b>                  |             |            |            |            |            |
| Supplemental Nutrition Assistance Program (SNAP) recipients | 3,326,637   | 3,581,136  | 3,565,520  | 3,693,396  | 3,597,030  |
| SNAP households   | 1,815,239   | 1,962,933  | 1,946,026  | 2,029,951  | 1,971,469  |
| <b>Criminal Justice and Corrections</b>                     |             |            |            |            |            |
| <b>Department of Corrections</b>                            |             |            |            |            |            |
| Inmate admissions   | 32,279      | 33,295     | 32,442     | 30,985     | 30,289     |
| Community supervision admissions                            | 90,880      | 88,819     | 86,369     | 83,064     | 83,176     |
| Facility population   | 100,527     | 100,884    | 100,942    | 100,050    | 99,119     |
| <b>Natural Resources and Environment</b>                    |             |            |            |            |            |
| <b>Department of Environmental Protection</b>               |             |            |            |            |            |
| State park and trail visitations                            | 24,983,179  | 25,575,794 | 27,170,451 | 31,108,245 | 31,840,658 |
| <b>Florida Fish and Wildlife Conservation Commission</b>    |             |            |            |            |            |
| Fishing and hunting licenses <sup>(3)</sup>                 | 1,638,055   | 1,544,549  | 2,350,586  | 2,406,822  | 2,532,883  |
| <b>Transportation</b>                                       |             |            |            |            |            |
| <b>Department of Highway Safety &amp; Motor Vehicles</b>    |             |            |            |            |            |
| Registrations <sup>(4)</sup>                                | 20,024,942  | 20,259,599 | 21,357,026 | 22,695,334 | 22,546,058 |
| Titles issued <sup>(4)</sup>                                | 5,039,215   | 5,362,575  | 6,014,150  | 6,615,964  | 6,098,475  |
| Traffic crashes <sup>(2)(5)</sup>                           | 281,340     | 316,943    | 344,170    | 374,342    | 395,785    |
| <b>Department of Transportation <sup>(2)</sup></b>          |             |            |            |            |            |
| Daily vehicle miles traveled ( <i>in thousands</i> )        | 284,052     | 287,977    | 288,398    | 307,532    | 322,051    |
| <b>Judicial Branch</b>                                      |             |            |            |            |            |
| <b>Judicial Branch System</b>                               |             |            |            |            |            |
| Number of cases filed/added:                                |             |            |            |            |            |
| Circuit criminal defendants                                 | 188,669     | 186,117    | 176,768    | 171,414    | 171,670    |
| County criminal   | 367,478     | 361,046    | 355,981    | 341,499    | 317,587    |
| County civil  | 477,024     | 438,963    | 417,323    | 431,868    | 428,401    |
| Traffic   | 472,662     | 383,776    | 280,102    | 285,716    | 282,362    |
| Family court  | 322,854     | 289,752    | 281,154    | 284,629    | 288,430    |
| Circuit civil   | 305,732     | 294,124    | 198,856    | 181,222    | 176,740    |
| Probate   | 101,606     | 107,144    | 114,024    | 115,746    | 118,989    |

Note: Items denoted as unavailable have not been calculated for reporting as of the date of this ACFR.

<sup>(1)</sup> The Florida Retirement System includes retirees from the following employer groups: State Agencies, County Agencies, District School Boards, Universities, State Colleges, Cities, Special Districts, Hospitals, and Other. Refer to Note 6 and Other Required Supplementary Information for further details.

<sup>(2)</sup> Information for this agency and/or item is only reported by calendar year. Information reported in each column represents calendar year ended December 31.

<sup>(3)</sup> Beginning in 2014, the count being included reports the number of actual licenses versus prior years that reported the count of license holders.

<sup>(4)</sup> Includes motor vehicles, manufactured homes, and vessels.

<sup>(5)</sup> Effective July 1, 2012, Section 316.066, F.S., was amended to require all law enforcement agencies to report additional crash data to the Department of Highway Safety and Motor Vehicles. The 2012 data reflects six months of the reporting change in crashes and the 2013 data reflects a full year of the reporting change in crashes. The statutory change resulted in more crash reports being received for reporting.

Sources: Florida Department of Revenue, Florida Retirement System, Florida Board of Governors, Florida Department of Health, Florida Department of Children and Families, Florida Department of Corrections, Florida Department of Environmental Protection, Florida Department of Agriculture and Consumer Services, Department of Highway Safety and Motor Vehicles, Department of Transportation, Florida State Courts

| Fiscal Year |            |            |            |             |
|-------------|------------|------------|------------|-------------|
| 2017        | 2018       | 2019       | 2020       | 2021        |
| 46,148      | 48,502     | 51,689     | 49,939     | 56,929      |
| 406,018     | 415,483    | 424,612    | 431,998    | 440,069     |
| 352,116     | 358,522    | 362,157    | 365,447    | 370,905     |
| 87,845      | 91,390     | 93,962     | 96,925     | 99,399      |
| 223,579     | 221,508    | 220,010    | 209,182    | Unavailable |
| 203,353     | 205,461    | 206,975    | 239,294    | Unavailable |
| 3,270,816   | 3,168,733  | 2,995,799  | 2,972,154  | 3,561,924   |
| 1,736,445   | 1,692,603  | 1,582,961  | 1,637,833  | 2,012,027   |
| 28,783      | 27,916     | 28,782     | 21,276     | 18,149      |
| 83,293      | 83,820     | 84,497     | 65,822     | 60,129      |
| 97,794      | 96,256     | 95,626     | 87,737     | 80,495      |
| 32,219,989  | 28,178,773 | 29,446,353 | 24,837,900 | 29,076,725  |
| 2,562,063   | 2,543,028  | 2,570,014  | 2,608,004  | 2,781,975   |
| 22,783,727  | 23,337,413 | 23,630,831 | 23,014,926 | 24,605,792  |
| 6,122,750   | 6,527,961  | 6,578,659  | 6,143,073  | 7,044,193   |
| 402,385     | 403,626    | 401,864    | 341,367    | Unavailable |
| 322,835     | 334,216    | 343,628    | 312,780    | Unavailable |
| 169,529     | 170,117    | 177,592    | 158,200    | 148,817     |
| 316,029     | 293,282    | 308,438    | 253,511    | 222,187     |
| 470,957     | 536,779    | 619,737    | 633,952    | 858,867     |
| 278,528     | 196,313    | 254,973    | 193,929    | 184,111     |
| 286,659     | 277,239    | 268,870    | 238,264    | 241,027     |
| 171,515     | 164,776    | 208,433    | 184,223    | 173,599     |
| 122,498     | 117,356    | 132,856    | 132,283    | 152,325     |

**Capital Assets by Function  
Last Ten Fiscal Years**

|  | Fiscal Year |           |           |           |           |
|--|-------------|-----------|-----------|-----------|-----------|
|  | 2012        | 2013      | 2014      | 2015      | 2016      |
| <b><u>General Government</u></b>                         |             |           |           |           |           |
| <b>Department of Management Services</b>                 |             |           |           |           |           |
| Buildings <sup>(1)</sup>                                 | 86          | 88        | 88        | 90        | 91        |
| <b><u>Education</u></b>                                  |             |           |           |           |           |
| <b>Universities and colleges<sup>(2)</sup></b>           |             |           |           |           |           |
| Assignable square feet (in thousands)                    | 54,890      | 56,277    | 57,938    | 58,122    | 61,706    |
| <b><u>Human Services</u></b>                             |             |           |           |           |           |
| <b>Department of Health</b>                              |             |           |           |           |           |
| Buildings  | 73          | 36        | 38        | 38        | 36        |
| Vehicles   | 323         | 315       | 378       | 353       | 369       |
| <b>Department of Children and Families</b>               |             |           |           |           |           |
| Buildings  | 296         | 211       | 211       | 211       | 227       |
| <b><u>Criminal Justice and Corrections</u></b>           |             |           |           |           |           |
| <b>Department of Corrections</b>                         |             |           |           |           |           |
| Correctional institutions                                | 63          | 55        | 56        | 55        | 56        |
| Work camps, forestry camps                               | 40          | 39        | 38        | 44        | 43        |
| Work release centers                                     | 33          | 32        | 35        | 34        | 33        |
| Other facilities   | 7           | 16        | 16        | 17        | 17        |
| <b><u>Natural Resources and Environment</u></b>          |             |           |           |           |           |
| <b>Division of Recreation and Parks</b>                  |             |           |           |           |           |
| Number of state parks, greenways, and trails             | 171         | 171       | 171       | 201       | 174       |
| Acres of land owned                                      | 788,982     | 789,059   | 788,619   | 792,999   | 791,145   |
| <b>Department of Environmental Protection</b>            |             |           |           |           |           |
| Acres of land owned <sup>(3)</sup>                       | 4,239,023   | 4,245,742 | 4,268,885 | 4,281,419 | 4,284,333 |
| <b>Florida Fish and Wildlife Conservation Commission</b> |             |           |           |           |           |
| Vehicles   | 1,876       | 1,637     | 1,800     | 1,835     | 1,787     |
| <b><u>Transportation</u></b>                             |             |           |           |           |           |
| <b>Department of Transportation</b>                      |             |           |           |           |           |
| Highway lane miles                                       | 43,138      | 43,337    | 43,514    | 43,665    | 43,819    |
| Vehicles   | 4,607       | 4,703     | 4,406     | 4,188     | 4,170     |
| Buildings <sup>(4)</sup>                                 | 391         | 385       | 383       | 417       | 571       |
| <b><u>Judicial Branch</u></b>                            |             |           |           |           |           |
| <b>Judicial Branch System</b>                            |             |           |           |           |           |
| Machinery and equipment <sup>(5)</sup>                   | 9,199       | 10,495    | 10,656    | 12,295    | 12,949    |

<sup>(1)</sup> Beginning with fiscal year 2019, the count included state-owned buildings occupied by full-time equivalent State employees. Previously, the count included certain State-owned buildings not occupied by full-time equivalent employees.

<sup>(2)</sup> Universities and colleges are presented in the ACFR as discretely presented component units of the state.

<sup>(3)</sup> Acreage information includes a cumulative total of acres acquired through each program and by donations and exchanges. The Water Management Districts have acquired and hold title to lands through other programs that are not included in this schedule.

<sup>(4)</sup> Beginning with fiscal year 2020, the count included state-owned buildings occupied by full-time equivalent State employees. Previously, the count included State-owned buildings not occupied by full-time equivalent employees.

<sup>(5)</sup> In fiscal year 2020, the COVID-19 pandemic caused the purchase increase of machinery and equipment.

Sources: Florida Department of Management Services, Florida Department of Education, Florida Department of Health, Florida Department of Corrections, Florida Division of Recreation and Parks, Florida Department of Transportation, Florida Department of Financial Services, Division of Risk Management, Florida State Courts, Florida Fish, and Wildlife Conservation Commission

| Fiscal Year |           |           |           |           |
|-------------|-----------|-----------|-----------|-----------|
| 2017        | 2018      | 2019      | 2020      | 2021      |
| 91          | 91        | 72        | 72        | 72        |
| 62,210      | 62,786    | 63,056    | 63,779    | 65,183    |
| 34          | 34        | 36        | 36        | 34        |
| 370         | 367       | 371       | 365       | 377       |
| 227         | 227       | 227       | 223       | 223       |
| 57          | 57        | 57        | 57        | 57        |
| 42          | 41        | 41        | 41        | 40        |
| 32          | 29        | 30        | 30        | 30        |
| 17          | 17        | 17        | 17        | 16        |
| 174         | 175       | 175       | 175       | 175       |
| 790,852     | 793,882   | 796,021   | 797,181   | 798,140   |
| 4,319,159   | 4,345,489 | 4,377,710 | 4,428,156 | 4,475,967 |
| 2,050       | 2,050     | 2,050     | 2,042     | 2,042     |
| 44,064      | 44,311    | 44,701    | 45,031    | 45,146    |
| 4,170       | 4,145     | 4,004     | 4,004     | 3,788     |
| 478         | 435       | 471       | 214       | 215       |
| 12,659      | 12,505    | 11,651    | 14,192    | 14,911    |

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