



## AGENDA

### COMMITTEE OF THE WHOLE WORKSHOP BOARD OF COUNTY COMMISSIONERS

Board Chambers  
Suite 100  
Escambia County Governmental Complex  
221 Palafox Place

June 14, 2012  
9:00 a.m.

Notice: This meeting is televised live on ECTV and recorded for rebroadcast on the same channel. Refer to your cable provider's channel lineup to find ECTV.

1. Call to Order

(PLEASE TURN YOUR CELL PHONE TO THE SILENCE OR OFF SETTING.)

2. Was the meeting properly advertised?

THE COMMITTEE OF THE WHOLE WORKSHOP MAY RECESS FOR LUNCH DEPENDING ON THE LENGTH OF THE DISCUSSIONS.

3. Discussion of Potential Referendum Questions

(Commissioner Valentino, Vice Chair - 20 min)

- A. Board Discussion
- B. Board Direction

4. Internal Audit Report Pensacola Bay Area Chamber of Commerce

(Patty Sheldon/Kaye Kendrick - 30 min)

- A. Board Discussion
- B. Board Direction

5. Pensacola Bay Area Chamber of Commerce Annual Presentation

(Jim Hizer - 30 min)

- A. Board Discussion
- B. Board Direction

6. Synopsis of Escambia County Mosquito Control

(Keith Wilkins - 5 min)

- A. Discussion
- B. Board Direction

7. Fiscal Year 2012/2013 Budget Update (NO BACKUP FOR DISCUSSION ONLY)  
(Amy Lovoy - 60 min)
  - A. Board Discussion
  - B. Board Direction
  
8. Adjourn

**Committee of the Whole**

**3.**

**Meeting Date:** 06/14/2012

**Issue:** Discussion of Potential Referendum Questions

**From:** Gene Valentino, District II Commissioner

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**Information**

**Recommendation:**

Discussion of Potential Referendum Questions

(Commissioner Valentino, Vice Chair - 20 min)

A. Board Discussion

B. Board Direction

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**Attachments**

Letter and Questions

**BOARD OF COUNTY COMMISSIONERS  
ESCAMBIA COUNTY, FLORIDA**



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Wilson Robertson  
District One

Gene M. Valentino  
District Two

Marie Young  
District Three

Grover C. Robinson, IV  
District Four

Kevin W. White  
District Five

April 4, 2012

To: Escambia County Commissioners:  
Wilson Robertson, District 1  
Marie Young, District 3  
Grover Robinson, District 4  
Kevin White, District 5

Dear Fellow Commissioners:

After lengthy research, subsequent to my re-election in November, 2010, and with a careful assessment of the efficiency of this government in which we work, it rang clear to me that the frustrations we have all had with government operations at different times could best be addressed through a "straw vote" ballot referendum.

I have worked with our Attorney, Alison Rogers, and our Administrator, Randy Oliver in trying to bring forward an approach with you over the years to address some of the REAL issues that plague us. Notwithstanding the state and federal mandates that are recklessly imposed upon us, we have managed our local government rather effectively. We balanced our budgets, reduced county debt, improved infrastructure, and even contributed back to the community value through several outside agencies. This routine is something we have grown accustomed to.

However, with circumstances now being imposed upon us more than ever before by state and federal agencies (unfunded mandates), we must look to see what we can do to make government more efficient. Said differently, we must think "out of the box" and consider options we would not have considered before.

It is essential that you understand that the questions I seek to be placed on the primary ballot this fall are NON-binding. The "yes" or "no" answer we seek from the citizens will steer us to an understanding of what the public wants government to focus on, or not. These questions are nothing more than an inquiry of the public on issues that have not been addressed effectively through past efforts. It takes the "process" out of the hands of politicians who have been accused of directing an outcome.

Regardless of what you or I think about these questions, it is essential we let the people, our bosses, have the final say on such important policy matters. A "no" answer to any of these questions would clear the air once and for all, putting it to bed. A "yes" answer would suggest we consider studying a plan of action, subject to the public's final approval in a subsequent ballot vote.

Sincerely,

A handwritten signature in black ink, appearing to read "Gene M. Valentino". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

I.

**NON-BINDING STRAW BALLOT QUESTION REGARDING WHETHER TO RETAIN THE SANTA ROSA ISLAND AUTHORITY**

Do you support Escambia County taking steps to abolish the Santa Rosa Island Authority and make Escambia County responsible for direct governance of Pensacola Beach?

YES

NO

II.

**NON-BINDING STRAW BALLOT REGARDING THE EMERALD COAST UTILITIES AUTHORITY (ECUA)**

Do you support Escambia County studying whether the Emerald Coast Utilities Authority (ECUA) could be brought under the Escambia County Board of County Commissioners as a department of the County?

YES

NO

III.

**NON-BINDING STRAW BALLOT QUESTION ON COMBINING ESCAMBIA COUNTY AND CITY OF PENSACOLA FIRE SERVICES**

Do you support Escambia County pursuing efforts to study combining Escambia County and City of Pensacola fire services into a single fire service?

YES

NO

**IV.**

**NON-BINDING STRAW BALLOT QUESTION ON COMBINING  
ESCAMBIA COUNTY SHERIFF'S DEPARTMENT AND THE  
PENSACOLA POLICE DEPARTMENT**

Do you support Escambia County pursuing efforts to study combining Escambia County Sheriff's Department and the Pensacola Police Department into a single law enforcement agency?

YES

NO

**V.**

**NON-BINDING STRAW BALLOT WHETHER TO CREATE AN  
ECONOMIC DEVELOPMENT AGENCY**

Do you support Escambia County studying the creation of an economic development agency?

YES

NO

**Committee of the Whole**

4.

**Meeting Date:** 06/14/2012

**Issue:** Internal Audit Report Pensacola Bay Area Chamber of Commerce

**From:** Lisa Bernau, Chief Deputy Clerk

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**Information**

**Recommendation:**

Internal Audit Report Pensacola Bay Area Chamber of Commerce

(Patty Sheldon/Kaye Kendrick - 30 min)

A. Board Discussion

B. Board Direction

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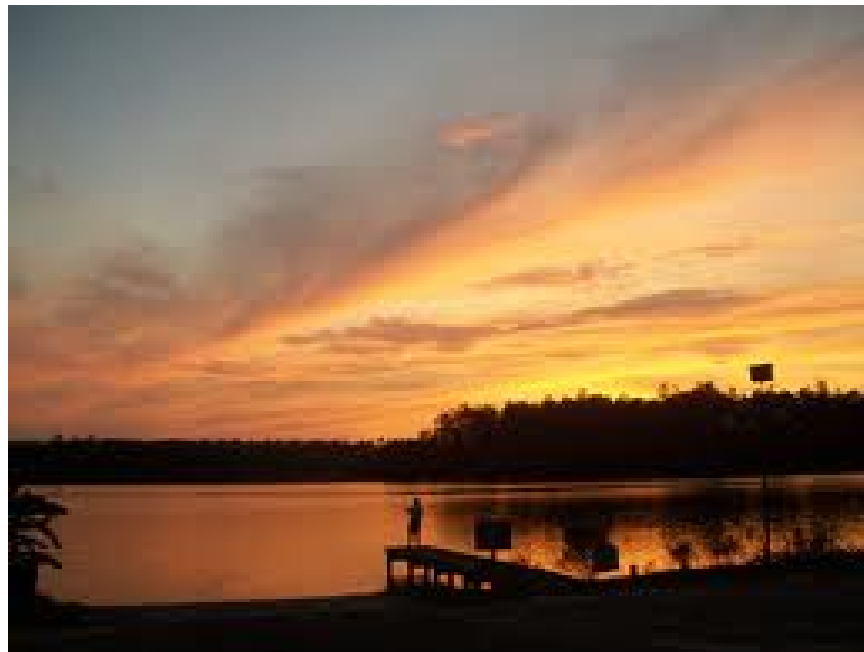
**Attachments**

Board Presentation Internal Audit Report Pensacola Chamber

Written Report Economic Development Performance Review

# Assistance in Evaluation of the Cost-Effectiveness of County Funds Provided to the Pensacola Bay Area Chamber of Commerce for Economic Development

*An Independent Accountant's Report on Applying Agreed-Upon Procedures*



Prepared By:

  
Kaye Kendrick  
Enterprises, LLC



# Economic Development Funds

1. Tourist Development Tax  
("Bed Tax")
2. BP Oil
3. General Fund
4. State of Florida  
Incentives

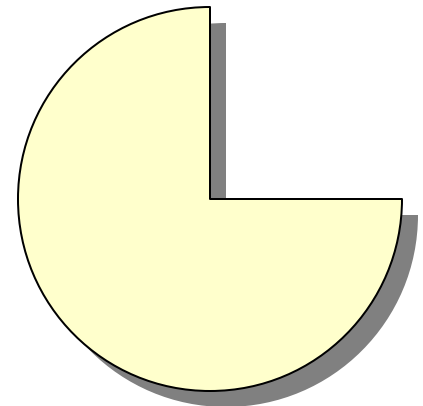


pg. 9 of report....

# Uses of Economic Development Funds

1. Business Recruitment & Expansion
2. Downtown Technology Park
3. Business Incubator Program
4. Tourism Marketing & Promotion
5. Armed Services Support

pgs. 11-18 of report...



# Enhanced Accountability

1. Consistency & Validation of Performance Reporting
2. Performance-based Contracting
3. Return on Investment
  - a) Positive for Business, Entrepreneurial Development, including Armed Services Support
  - b) Tourism Promotion – too many variables, limited time
4. Continued Enhancement in Chamber Accounting System and Controls



# Opportunities for Economic Enhancement

1. Performed Reasonably Well in Comparison to Other Similar Size Counties
2. Governments Are Being Recognized Nationally for Performance Reporting (*Appendices*)
  - a) Planning
  - b) Performance Measurement
  - c) Data Collection & Analysis
  - d) Reporting



# Capacity for Innovation

1. Capitalize on *Growth in Professional, Scientific & Technical Services* sector
2. Further recognize Universities and Post-secondary Institutions as Assets
  - a) Have created unique identity for Tech Park
3. Further foster Entrepreneurship
  - a) Minority Business
  - b) Non-Employer Businesses



# Strength of Human Capital

1. Higher Level of Educational Attainment
2. Ensure Understanding of Low Population Growth (1.1% over 10 years)
3. Focus on Success Attributes for 21% of Population that is Age 0-17
  - a) Creativity
  - b) Knowledge
  - c) Educational Credentials



# Strength of Business Assets/Investments

1. Continue Realizing Gains in *Knowledge Economy* Industries
2. Explore Decline in *Management of Companies and Enterprises* Sector
3. Continue work with *Defense* Industry
  - a) High Value Contracts
  - b) Cooperation - Tech Park & Saufley Field
4. Evaluate Role of Tourism – Viable Strategy to Increase Earnings & Wage Contributions



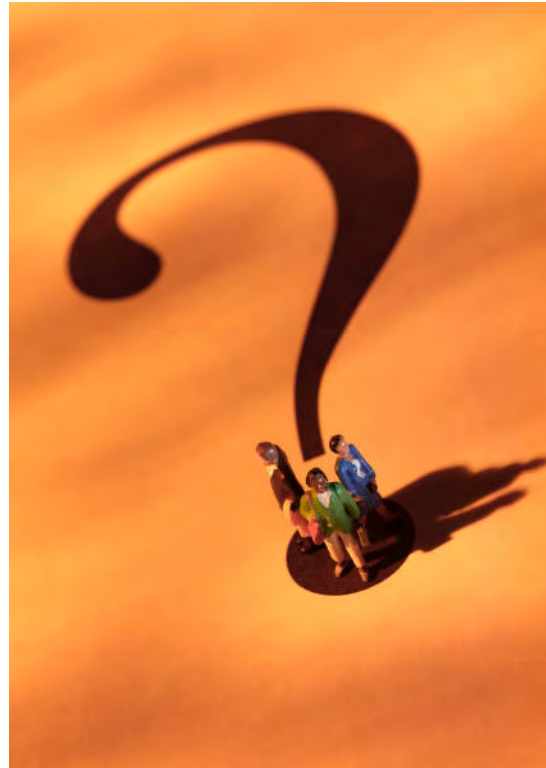
# Extent of Personal Income/Assets

1. Strategy to...
  - a) Ensure Continued Trend in Rise of Per Capita Income
  - b) Reduce Level of Poverty (19.1%)
  - c) Increase Per Capita Personal Income (< Statewide Ave.)
2. Owner-Occupied Housing Back to Pre-Recession Levels
3. Monitor *Direct Federal Expenditure* monies
  - a) e.g., Federal Contract Procurement vs. Unemployment Payments





# Comments/Questions





Assistance in Evaluation  
of the  
Cost-Effectiveness of  
County Funds Provided to the  
Pensacola Bay Area Chamber of Commerce  
for Economic Development

*An Independent Accountant's Report on Applying Agreed-Upon Procedures*

Prepared by



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April 30, 2012

Honorable Ernie Lee Magaha  
Escambia Clerk of the Circuit Court and Comptroller  
221 Palafox Place, Suite 130  
Pensacola, Florida 32502-5843

Dear Honorable Ernie Lee Magaha,

We have performed the procedures described in our letter dated January 22, 2012, which we agreed to perform and with which you concurred, solely to assist you in evaluating the cost-effectiveness of county-funded programs being conducted by the Pensacola Bay Area Chamber of Commerce (Chamber) for the fiscal years ended September 30, 2009, 2010, and 2011.

We conducted our work in accordance with attestation standards established by the American Institute of Certified Public Accountants. These standards also provide guidance for performing and reporting the results of the agreed-upon procedures. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. For the results reported in the Chamber’s annual performance report, determine if there is substantiation for the reported results (i.e., number of jobs created; amount of capital investments for companies facilitated; increase in tourism based on hotel stays or other data). Validate, on a sample basis.
2. For Tech Park Grant & Project - Obtain budget for the project, along with the repayment plan (to help the County assess whether the project will be completed at the budgeted amount and repayment made).
3. For events, such as the DeLuna Fest, obtain any available documentation to evidence the economic return to the County.
4. Determine if there are similar programs and documented results being attained by counties similar to Escambia (e.g., Alachua, Lake County, Leon County, Manatee, Osceola, St. Lucie).
5. Provide the following financial information, based upon audited financial statements: a) the extent revenues exceed expenditures; b) the percentage of revenue from government grants and private memberships; c) notable trends for the past three years, and; d) the financial results without County/City funding.

6. Determine the extent of variance in budget-to-actual expenditure reports to help the County assess adequacy and fiscal responsibility of the budgeting process.
7. Ensure the Chamber is providing the County all quarterly and annual reports as required by the appropriation agreements. Document Chamber explanations for non-compliance with the agreements.
8. Based upon interviews and financial audit reports, determine if the Chamber procedures provide for internal control (including segregation of duties) for cash receipts, fixed assets, and payroll.
9. Provide a schedule of the allocation of overhead costs to the County, along with a historical comparison of that allocation, over the past three years.
10. If competitive procurement processes are used by the Chamber, for a sample of such expenditures, review documentation developed during the procurement process.
11. Review minutes of Chamber Board meetings. Determine if there is evidence other municipalities are obtaining Chamber benefits without contribution. If so, recommend the Chamber develop a basis for public funding which will result in a more equitable funding structure.
12. As it relates to the *Foundations for Future* funding, review the contract for the matching dollars coming from private sources. Determine how much is received in cash and how much is received as "in-kind" services.

This report is intended solely for the use of the management of the County of Escambia and should not be used by those who have not agreed to the procedures or have not taken responsibility for the sufficiency of the procedures for their purposes. However, the report is a matter of public record and its distribution is not limited.

We were not engaged and did not conduct an audit, the objective of which would be the expression of an opinion on the specified elements, accounts or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The results of our work are contained in this report.

Respectfully Submitted,

Kaye Kendrick Enterprises, LLC

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# Executive Summary

## Purpose

This is a report of the results of our work, conducted to assist the County of Escambia (County) in evaluating the use of economic development funds in the County. We have presented a substantial amount of data in this report. However, it should not be construed as a complete analysis of the County economy. A summary of our work is presented in five topics: Resources and Management, Return on Investment, Opportunities for Economic Enhancement, Building a Performance Management Framework, and Chamber Operations.

## Resources & Management

There were several sources and uses of funds for County economic development during the fiscal years ended September 30, 2009, 2010, and 2011. These were the Tourist Development Tax monies, Deepwater Horizon oil spill monies, general funds appropriated for economic development, and incentives provided by the State of Florida.

- ❖ The Tourist Development Tax is authorized to be levied by counties, pursuant to Section 125.0104, F.S. These monies are used for retention and expansion of the tourism industry, providing for promotion, marketing and operation of the County visitor center.
- ❖ Monies for marketing and promotion of tourism in the County have also been provided by the oil and gas company, BP plc, to compensate for oil spill damage and publicity, which deterred visitors from the County.
- ❖ The County provides some general fund monies to support retention and expansion of existing business, as well as the federal presence of armed services.
- ❖ Incentive funds are made available from the State of Florida for recruitment of new businesses and expansion of existing business.

The Pensacola Bay Area Chamber of Commerce (Chamber) manages and operates most of the County economic development activities. The Chamber has a stable membership base and is able to maintain its own

### Briefing Points

1. *Better accountability and demonstration of results could be achieved with consistency and validation in performance reporting.*
2. *Data collected indicates economic results in excess of County funds expended have been realized for business retention and recruitment activities, including armed services and entrepreneurial support. Due to external variables, results based upon existing data are inconclusive for tourism promotion.*
3. *More economic opportunities may be realized with further analysis and study of data trends.*
4. *Desired results and accountability over contracted vendors could be ensured with performance-based contracting methodology.*
5. *Continued enhancement of the effectiveness and efficiency of the Chamber accounting system and controls is needed.*

overhead costs. The current Executive Director, hired effective August 15, 2010, fostered creation of the *Vision 2015* plan for enhancing the County economy. The current Chamber strategy cites targeting *wealth-creating* industry clusters, and envisions growth of minority business enterprises.

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## Return on Investment

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The County requires periodic performance and fiscal reports be provided to them by the Chamber. The County Clerk's office thoroughly reviews expenditures that are claimed for reimbursement by the Chamber. The County has not prescribed specific goals and performance measures for Chamber performance reporting, and there was inconsistency in the performance measures used by the Chamber to report its performance results. In addition, documentation to support all reported performance was not available. We used third-party data sources to attempt to validate the reported returns on investment of the economic development funds used.

Our work indicated the County has realized economic results in excess of the County amounts expended in its business recruitment and expansion activities, including Armed Services and entrepreneurial support, though we were not able to validate all the Chamber-reported results. There are two long-term strategies being deployed: a technology park and a new business incubator program. Numerous research studies cite these to be long-term economic development strategies, not expected to yield a short-term return on investment. Both the County and City have invested in the Technology Park. In addition, federal grant funds have been attained for additional funding needed for the Technology Park construction. It would be prudent for the County to work with the Chamber to provide clearly articulated goals and objectives for these programs. There should also be agreement on a strategy for selling the Tech Park lots, fulfilling goal expectations and returning investment to the County. Establishing milestones for strategy implementation and monitoring them will ensure accountability is demonstrated to County citizens.

In spite of Tourism marketing and promotion efforts, the sales for the *Leisure and Hospitality* industry have not significantly increased, though some results may not yet be realized. Without the marketing and promotion dollars, this industry may well have fared even worse over the past few years. The *Leisure and Hospitality* Industry in the County paid the lowest average wage (\$14,874) of all County industry sectors, which is much lower than the statewide average wage from this industry (\$21,448). Other County industry sectors paid average wages 2 ½ times greater.

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## Opportunities for Economic Enhancement

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Relative to trends and in comparison to other Florida *comparable* counties, the economic development efforts of the County appear to have performed reasonably well, particularly given the environmental crises that have



been experienced (hurricanes and Gulf oil spill). There are, however, more opportunities for the County to perform better.

Specific areas of opportunity by strategic outcome area include:

### **Capacity for Innovation**

- ❖ Foster workforce for, and capitalize further on the growth being experienced in the *Professional, Scientific, and Technical Services* sector.
- ❖ Further recognize university and other post-secondary institutions as major assets in fostering economic development. These organizations have been instrumental to the Technology Park success in other geographical areas, particularly in establishing a unique identity in innovation.
- ❖ As part of fostering entrepreneurship in the community, seek strategies to further support non-employer (businesses with no employees) and minority business in the County, both in the number of enterprises and amount of annual receipts.

### **Strength of Human Capital**

- ❖ Create a workforce with a higher level of educational attainment. The County high school graduation rates have increased, but the percent of university graduates in the County could be higher. Determine strategies for retaining and attracting more university graduates in the County.
- ❖ To gauge both the perceived and actual reality of the County's quality of life, compile and analyze data for indicators, as suggested in Appendix E of this report. This effort will help the County affirm assumptions for the reason(s) the County has experienced low population growth (1.1%) over the past ten years, compared to the statewide rate (17.6%).
- ❖ Twenty-one percent of the population is aged 0-17. Focus attention on helping this age group retain their creativity, acquire knowledge, and gain educational credentials. These are success attributes that research studies cite as essential to a wealth-creating community.

### **Strength of Business Assets & Investments**

- ❖ Continue to realize gains in "Knowledge Economy" industries. Research cites knowledge, professional and/or innovative occupations to be the greatest community wealth-creating occupations.
- ❖ Explore decline in the *Management of Companies and Enterprises* sector. These are business headquarters, and can greatly contribute to the County economy. Determine if there is strategy that can mitigate effects of any future recession on this valuable industry sector.
- ❖ Continue to work with defense industry leaders to realize the benefits of more high value contracts in the community, and consider all cooperative efforts possible in the development of the City Technology Park and Saufley Field.
- ❖ Evaluate the extent to which tourism can be expected to contribute to the County economic development efforts, and pursue viable strategy to increase its earnings and wage contributions to the County.

## Extent of Personal Income & Assets

- ❖ Ensure a continuing trend in the rise of per capita income. Consider strategy options to reduce the level of County poverty, currently at 19.1%; increase per capita personal income, which is currently less than the statewide average; and, increase median household income, \$41,428 versus \$44,390, statewide.
- ❖ Foster increasing owner-occupied housing to pre-recession levels, or better.
- ❖ Monitor the *Direct Federal Expenditure* monies provided to Escambia County. Ensure strategies are designed to receive the type of federal support desired (e.g., federal contract procurement vs. unemployment payments).

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## Building a Performance Framework

Many governments are being recognized for, and realizing the benefits of having a dynamic, yet sustainable performance management framework for their community. The County could create its own performance management framework, using data such as those presented in this report to demonstrate economic development results and efforts to citizens. Building a performance framework would require defining a common vision through collaboration between the County, Chamber and citizens; and, defining desired outcomes and strategy for key economic development areas. A performance management framework requires a system of planning, performance measurement development, data collection, evaluation and a reporting process for key outcome measures. Having easily accessible, user-friendly and valid data is critical to successful performance reporting. The data collection process can be facilitated using a web-based application, which can be purchased, on a subscription-basis.

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## Chamber Operations

There were several areas specific to Chamber operations that can be addressed to strengthen the partnership role of the Chamber with the County.

- ❖ Continue regional collaboration with other counties, equitably sharing expenses and benefits derived from these efforts. This is a high-leverage strategy currently being deployed by the Chamber.
- ❖ Develop a process for performance-based contracting with vendors, holding vendors accountable for outcome results. This effort will demonstrate the value of contract work in meeting County economic development objectives, particularly those not awarded through a competitive bid process, such as the Chamber's current marketing and promotion contracts.
- ❖ Further enhance the accounting processes, and address internal control issues cited in current financial audit reports, to foster more confidence in the integrity and efficiency of Chamber processes.

## Resources & Management

The County of Escambia provides funds to the Pensacola Area Chamber of Commerce and the Pensacola-Escambia County Promotion and Development Commission (PEDC) for the following economic development activities: Business Recruitment and Retention, Entrepreneurial Development, Tourism Development, Armed Services Support, Workforce Development, and Community Event Support. The amounts provided since fiscal year 2007-08 are shown in the following table:

Program & Source of Monies	Purpose	FY 2008-09	FY2009-10	FY 2010-2011	FY 2011-2012
<b>Appropriated for Use by the Pensacola Area Chamber of Commerce &amp; Affiliates</b>					
Foundations for the Future/Economic Development Fund	Retention & Expansion of Existing Industry, Tourism & Convention Program, Armed Services Support	\$ 402,000	\$ 402,000	\$ 400,000	\$ 400,000
3rd Cent Tourist Development Tax/Tourist Development Fund	Tourism Administration Convention Committee (Pensacola Convention & Visitor Information Center Operations & Tourist Development Programs)	\$ 1,205,212	\$ 1,541,250	\$ 1,310,294	\$ 1,442,334
3rd cent Tourist Development Tax/Tourist Development Fund - additional funding				\$ 355,101	
4th Cent Tourist Development Tax/Tourist Development Fund	Tourism Administration Convention Committee (Tourism Marketing)	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Division of Emergency Management /BP Oil spill funding	Marketing & Promotion		\$ 1,400,000		
BP/State of Florida - Oil Spill	Marketing & Promotion		\$ 626,844	\$ 1,290,584	\$ 1,875,458
				(actual dollars spent)	(FY 12 appropriation)
		\$ 2,207,212	\$ 4,570,094	\$ 3,955,979	\$ 4,317,792
<b>Appropriated for Use by the Pensacola-Escambia County Promotion and Development Commission (PEDC)</b>					
Support of Public-Private Partnership	Recruitment & Retention, Tourism Promotion & Development, Armed Services Support	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
<b>TOTAL County Funds Provided to Chamber &amp; PEDC</b>		<b>\$ 2,357,212</b>	<b>\$ 4,720,094</b>	<b>\$ 4,105,979</b>	<b>\$ 4,467,792</b>

Financial data has been extracted from the audited financial reports of the Pensacola Bay Area Chamber of Commerce, Inc. and Affiliates, for the fiscal years ended September 30, 2009, 2010 and

2011, and are shown below. The *Support/Revenue Sources* for the Chamber has increased over 30% in each of these years. The *Expenses* increased 23% and 35%, for the fiscal years ended September 30, 2010 and 2011. The primary increase in revenue between years was from a Port Security Grant from the United States Department of Homeland Security. The Chamber Membership has remained fairly stable, varying by about 10% each year. The Chamber Membership and Fundraising revenues have provided funding for almost 50% of *Management and General Expenses*. Our work indicated the Chamber has sufficient funds to cover its own overhead costs and supports the Chamber representation that no overhead is paid with monies from the County. In addition, our review of the Chamber budget-to-actual results did not reveal any significant differences of concern.

Pensaola Bay Area Chamber of Commerce, Inc. and Affiliates			
Excess Support/Revenues over Expenditures			
Years Ended September 30, 2009, 2010 and 2011			
<u>Support/Revenue Sources:</u>	2009	2010	2011
Membership Dues, net of amounts written off	\$ 536,174	\$ 459,808	\$ 509,585
<u>Programs:</u>			
Tourism Administration and Convention Comn	2,612,681	4,303,547	3,805,917
Economic Development	199,940	237,666	196,197
Military Development	158,191	135,912	278,490
Foundation/Leadership Pensacola	1,409,436	1,226,006	2,253,532
Port Security Grant	-	258,223	1,819,811
Special Events	33,364	-	-
Other Revenue	135,671	110,229	116,373
Total Support and Revenue	<u>\$ 5,085,457</u>	<u>\$ 6,731,391</u>	<u>\$ 8,979,905</u>
<u>Expenses:</u>			
<u>Program Services:</u>			
Tourism Administration and Convention Comn	\$ 2,532,457	\$ 4,269,725	\$ 3,802,589
Economic Development	731,955	784,524	765,171
Military Development	350,544	334,370	402,730
Foundation/Leadership Pensacola	529,516	494,513	475,242
Port Security Grant	-	258,223	1,819,811
Special Events	19,119	-	-
Total Program Services	<u>\$ 4,163,591</u>	<u>\$ 6,141,355</u>	<u>\$ 7,265,543</u>
<u>Supporting Services:</u>			
Management and General	\$ 1,078,056	\$ 767,406	\$ 1,306,069
Fundraising	-	160,648	126,551
Total Supporting Services	<u>\$ 1,078,056</u>	<u>\$ 928,054</u>	<u>\$ 1,432,620</u>
Total Expenses	<u>\$ 5,241,647</u>	<u>\$ 7,069,409</u>	<u>\$ 8,698,163</u>
Excess Support/Revenues over Expenditures	<u>\$ (156,190)</u>	<u>\$ (338,018)</u>	<u>\$ 281,742</u>

## Reported Performance Results

The Chamber reported performance for various economic development activities. The performance

measures reported are not prescribed by the County and were somewhat varied each year, which makes it more difficult to track the success of the County's funding over time. The current Executive Director of the Chamber was hired, effective August 15, 2010, and has developed a strategic plan entitled, *Vision 2015*. Below are summaries of the performance results reported by the Chamber from fiscal year 2008 to present, along with related Chamber *Vision 2015* current plans and objectives. Since the Chamber did not provide us documentation to validate their results, we have used data we compiled, and included in the Appendices to this report, to help assess the reasonableness of the data reported.

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## Business Recruitment & Retention

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There are no third-party data series available to allow independent verification of several reported business recruitment and retention measures, including jobs per dollar of public funding, payroll increase per dollar of public funding, existing company gross payroll and job growth, data on companies assisted, or specific local activity such as visits to existing businesses or marketing events. Also, various government entities base their fiscal years on differing time periods, and in all likelihood, the fiscal years for various data series do not correspond. As a result, the third-party data series used to assess reasonableness of reported new and expanded business results will vary somewhat from the Chamber's figures.

Our research found data on participation in the various State of Florida incentive programs during Calendar Years 2000 through 2011 which indicate that projects based in Escambia County received a total of almost \$11.3 million in incentives to locate or expand businesses in the County. Of that amount, required local match equaled \$1.3 million. A total of 3,460 new jobs were expected to be created by 19 company projects. This involved nine companies, which were already located in Escambia County, with 3,409 existing employees. Altogether, these 19 companies anticipated that \$377.8 million dollars in new capital investment would result from these projects. It cost local government in Escambia County an average of \$360 for each new job created.

**Table 1 - Data Reported by Chamber to County – Business Recruitment & Retention**

Performance Reported	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Current & Vision 2015
Jobs Created	1,677 (past two years)	800	Reported by Project – see narrative detail below	250+	In current fiscal year, 357; 500 projected; 300 new jobs in 5 years
Increase Payroll from Job Creation	-	\$27 million	-	\$10 million	-
Capital Investment	\$251 million (past two years)	\$80 million	Reported by Project – see narrative detail below	\$37 million	In current fiscal year, \$63.1 million; over 116 investors, \$8,684,000 invested over next 5 years
Jobs per Dollar Public Funding	One Job per \$1,000 Foundations for Florida funding	-	-	-	-
Payroll Increase per Dollar Public Funding	\$42 payroll increase per Dollar Public Funding	-	-	-	-
Existing Company Gross Payroll Increase/Job Growth	-	\$27 million /80%	-	-	In current fiscal year, 100 existing businesses
Economic Impact – Companies Assisted	\$957 million over next five years	-	-	-	-
Avg. Annual Salary – Companies Assisted	\$36,633	-	-	-	-
Visits to Existing Businesses	-	100+	40	100+	82; 100/200 per year projected
Marketing Events	-	14	-	-	-
State & Local Incentives Obtained	-	\$2 million, to support \$80 million capital investment, 800 new jobs, \$30 million new payroll	-	-	-

The fiscal year 2008 Chamber performance report described plans for the county technology park, a development expected to provide \$50 million in capital investment, while creating 1,000 new jobs, averaging over \$50,000 in annual salaries. Site work was expected to be completed in less than 1 year allowing construction on buildings to begin. In 2009, the Chamber reported the award of a \$2 million technology park grant, and reported expectations to generate 1,000 jobs with \$50 million new payroll for the county. There were 2 tenants added that year. The technology park venture is further discussed later in this report.

In fiscal year 2010, the Chamber reported five project successes: Pall Life Sciences 55 jobs, \$37 million investment expansion; Jupiter Composites expanded in Ellyson; Offshore Inland, 51-100 jobs; Overhead Door Corporation, 128 jobs; Navy Federal Credit Union, 800 jobs, \$81 million investment; Project Everest, 102 jobs, \$56 million investment.

The current Chamber strategy targets the following industry clusters: aerospace and defense, renewable energy, financial services, and back office support. It also envisions growing minority business enterprises in size, scale and capacity.

### Comparison or Reported Results to Published Data

- ❖ Reported performance results for FY 2007-2008 and past two years was, 1,677 jobs created, \$251 million in new capital investment. *Escambia County Participation in State Incentive Programs—2000 Through 2011* (see Appendices), reported \$120,168,000 in new capital investment for projects approved between 6-27-05 and 6-20-2007. These projects planned to create 1,080 new jobs; therefore, reported amounts exceed original expectation. Existing employment at these companies totaled 1,175.
- ❖ Reported performance results for FY 2008-2009, 800 jobs created and \$80 million new capital investment, as well as \$2 million in state and local incentives. The jobs and new capital investment results appear to be verified by 4-15-2009 Closing Fund project award from the Table, *Escambia County Participation in State Incentive Programs—2000 Through 2011*. The incentive it received was at least \$1 million. Additional local incentives or State incentive programs not included in the State Incentives Table, such as workforce training programs or transportation improvement grants, could have been coordinated by the Chamber for the project, which could account for the reported \$2 million in incentives.
- ❖ Verification of projects discussed in report narrative for FY 2009-2010 includes the following:
  - Pall Life Sciences – Appears to be verified in FY 2007-2008 by 6-20-2007 award of QTI project from the *Escambia County Participation in State Incentive Programs—2000 Through 2011* Table. The Pensacola Chamber’s website discusses project and notes the announcement of the completion of the project expansion. The State project reported 54 new jobs and \$26 million new capital investment while the Chamber reported 55 jobs and \$37 million in investment.
  - Jupiter Composites - Not enough information on the project to verify with any certainty.
  - Offshore Inland - Project verified in online *Pensacola News Journal* article, only local incentives were used.
  - Overhead Door Corporation - Project reported in FY 2010-2011 by 12-21-2010 award of QTI project from the Appendices Table, *Escambia County Participation in State Incentive Programs—2000 Through 2011*, from the Florida Department of Economic Opportunity. State statistics showed 40 new and 76 retained jobs for a total of 116 jobs, no additional capital investment. Chamber reported 128 jobs.
  - Navy Federal Credit Union - This appears to be the same project as reported for FY 2008-2009. However, the Chamber may have continued working with the company.
  - Project Everest - Project appears to be verified in FY 2010-2011 by 10-28-2010 award of QTI project and 11-17-10 Closing Fund award from the Appendices Table, *Escambia County Participation in State Incentive Programs—2000 Through 2011*. State statistics showed 102 new jobs and \$56.1 million capital investment, which matches the performance results reported by the Chamber.

- Reported performance results for FY 2010-2011, 250+ jobs created and \$37 million new capital investment. Cannot verify results from State incentives project data. The project data from the *Escambia County Participation in State Incentive Programs—2000 Through 2011* Table for FY2010-2011 appears to correspond to the narrative results reported by the Chamber for FY 2009-2010. The State's FY 2011-2012 data does not appear to correspond to any of the Chamber's reported results, probably due to timing differences. Also, the Chamber's reported projects may not have used State-level incentives.

## Entrepreneurial Support

The fiscal year 2008 Chamber performance report discussed the creation of a technology incubator program. The fiscal year 2009 performance report indicated the addition of two new tenants in the program. There was no performance data reported in fiscal year 2010. The fiscal year 2011 program reported an additional two new tenants. In the current year, the Chamber reports the program has 71% occupancy and has increased employment from 8 to 28 employees. The Chamber envisions increasing capacity from seven to eighteen offices and achieving an 80% occupancy rate. No third party data were available to validate these reported results.

### **Suggested Improvements for Technology Incubator Results Reporting**

Strong performance management requires clearly stated desired results and following "best practices". The purpose of an incubator program can vary; therefore, the required performance measurements may vary. For example, the purpose of the program is obviously economic development, but it may have more specific objectives, such as economic diversification, technology transfer, women or minority opportunities, and/or neighborhood revitalization. Another purpose may be to attain higher survival rates of new company start-ups.

To determine the long-term return on investment for their effort, the County and Chamber will need to clearly define their program goals and track the long-term success and employment trends for the companies fostered through its technology incubator program. Additional performance measures used by similar programs include: Jobs Created; Average Salary; Investment Raised; Generated Revenue; Patents, Copyrights, Trademarks, or Trade Secrets Held; & Square Footage of Facility. The success of these companies can be compared to those of similar companies started without support of a technology incubator program. The results of the program can also be compared to those of other incubator programs. In addition, the County and Chamber should compare its operations to the "best practices" defined by this industry.

## Tourist Development

The results of the Tourism program were not included in the Chamber 2010-11 fiscal year performance report. The Chamber recently reported tourism in the County to be a \$1.2 billion industry, providing



18,000 jobs; 8,000 hotel rooms; and, 2,000 condos/beach homes.

**Table 2 - Data Reported By Chamber to County - Tourism Development**

Performance Reported	FY 2007-08	FY 2008-09	FY 2009-10	Current Year; <i>Vision 2015</i>
# Visitors to County	3.25 million	3.75 million	2.5% Increase	-
Lodging Revenues	-	\$124 million, down 3% from prior year	27% increase	\$162.6 million revenue, +27.4% from 2010; Increase lodging revenues by 10% from \$124,000,000 in 2009 to 136,000,000 in 2012 \$101.48 average daily hotel rate, +13% from \$89.54 in 2010
Occupancy Rates	-	1.3% increase	18.4% increase	58.3% hotel occupancy, +3% from 2010
Jobs Created	67 (Escambia & Baldwin County)	-	-	-
Annual Local Economic Impact	\$1.3 billion	-	-	-
Tax Revenue	\$92 million			4% Increase
Tourist Development Tax Collections		-	\$5,039,700	-
Group Bookings	353	92 weddings, 72 group tours, 44 meetings & conventions, 45 class & family reunions, 23 military reunions, 12 sporting events	70 group tours, 65 weddings, 52 class reunions, 35 corporate events & conventions, 26 military reunions, 20 sporting events, 15 religious groups	Increase group bookings by 6%, from 2,917 to 3,092, from 85 to 90 room nights Increase convention and meeting bookings by 10% from 21,314 to 23,445 Increase the number of military reunions by 20% from 25 to 30 and room nights from 3,011 to 3,733 Increase wedding bookings from 163 to 171, and room nights from 13,229 to 13,890
Major Events & Festivals	50	-	-	-
Dive Trips - #, Revenue per Trip, Economic Impact	4,200; \$463 revenue per trip; \$3.6 million economic impact	-	-	-
Marketing Initiatives	\$6 million media coverage	450 <sup>th</sup> anniversary mentioned 800+ times in media outlets	9 marketing initiatives to Overcome Oil Spill Publicity	\$8.4 million dollars in advertising equivalency, up 6% from \$8 million; 9 strategies and tactics for pursuing convention and meeting sales; 8 strategies for increasing military reunions; 7 strategies and tactics for wedding bookings; Increase e-NEWS subscribers by 20% from 50,000 to 60,000 subscribers; Increase Facebook likes by 66% from 22,000 to 36,000; Increase YouTube views by 20% from 6900 to 8300; Increase web visits by 17% from 650,000 to 760,000; eight strategies and tactics with the visitor and information center; increase print and online advertising inquiries from potential visitors by 10% from 112,000 to 123,000

**Comparison of Reported Results to Published Data**

Various government entities base their fiscal years on differing time periods, and in all likelihood, the fiscal years for various data series do not correspond. The third-party data series used to verify reported results will vary somewhat from the Chamber’s figures, as a result. Moreover, data on the number of tourists and their spending patterns requires significant primary data collection and very sophisticated econometric modeling.

Tourism industry statistics and economic impact information is not readily available and requires significant research and analysis to develop. Third-party data series were not available to allow independent verification of the number of tourists, the annual local economic impact, tax revenues, or specific local activity in group bookings, major events and festivals, or marketing.

- ❖ Reported performance for FY 2009-2010 for Tourist Development Tax Collections indicated collections were \$5,039,700. The results are consistent with those of third-party data sources. Data provided in the Table entitled, *Local Option Tourist Development Tax Collections--State Fiscal Years Ended June 30, 2000 through 2011* (see Appendices) showed the following: \$5,448,643 for FY 2008; \$5,301,707 in FY 2009; \$5,457,305 for FY 2010; and \$5,588,528 in FY 2011.
- ❖ Reported Lodging Revenues for FY 2008-2009 were \$124 million, down from the prior year by 3%. Somewhat similar data obtained from the Florida Legislature’s Office of Economic and Demographic Research showed that there were taxable sales by transient rental facilities in FY 2009 of \$132.5 million, which was a decline of 2.7% from the previous year. However, this data series did not show an increase for FY 2010, as did the Lodging Revenues data reported by the Chamber.
- ❖ Reported performance for FY 2007-2008 for Jobs Created is 67 for Escambia and Baldwin County. Also reported for FY 2007-2008 were statistics for Dive Trips, indicating there were 4,200 trips with average revenue per trip of \$463 and a total economic impact of \$3.6 million. These figures are taken from a study conducted by the Haas Center for Business Research and Economic Development, University of West Florida, entitled, *The Economic Impact of Diving the USS Oriskany on the Regional Economy*, Final Report, May 2007. The data included in the Chamber’s results are for both Escambia County and Baldwin County, Alabama, combined. The Haas study provided figures for Escambia County alone which indicate 37 jobs created and an economic impact of \$2 million.
- ❖ The Chamber recently reported there are 8,000 hotel rooms and 2,000 condos/beach homes in Escambia County. For FY 2010-2011, Florida Department of Business and Professional Regulation’s *Public Food Service and Lodging License and Unit Summary by County* data show 83 lodging license accounts classified as hotels and motels, with 7,085 units and 53 lodging license accounts having 1,685 units, which could be identified under the general rubric of condos/beach homes.

The County could focus strategy to target those activities most attractive to tourists. Domestic and international visitors are reported to have different interests. According to VISIT Florida Research (Promote Your Business Research FAQ at VISITFlorida.org), the most popular activities for domestic visitors to Florida in 2010 were shopping (25%), beach/waterfront activities (20%), theme and amusement parks (15%), and parks and touring/sightseeing (13%). Overseas visitors cited shopping (89.3%), dining in restaurants (82.1%), and amusement and theme parks (53.5%) as the most popular activities while in Florida.

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## Armed Services

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The Chamber’s *Vision 2015* defines six strategies to enhance and support military mission and performance, 12 strategies to strengthen area Department of Defense investments in infrastructure and assets, and 8 strategies to improve and promote quality of life for area military members.

**Table 3 - Data Reported to County by Chamber - Armed Services Support**

Performance Reported	FY 2007-08	FY 2008-09	FY 2009-10	Vision 2015
# Employees & Average Salary – Navy Armed Services (NAS)	22,000; \$72,000	22,000, \$72,000	22,000; \$77,200	22,000, \$77,000
# Defense Industry Employment	-	77,000	73,850	78,850
Annual Salaries & Wages - NAS	-	-	-	\$5.1 million
Economic Impact	-	-	\$5.1 billion	-
Capital Investment	-	-	531.9 million	\$1 billion
Military Appreciation	-	-	Recognized 200 military personnel in local outlets; 1000 baseball tickets to active duty military members	-

**Comparison of Reported Results to Published Data**

Defense industry statistics and economic impact information are not readily available and require significant research and analysis to develop. Studies of the defense industry are not performed on a routine basis and, as a result, the latest statistics are often several years old.

- ❖ For FY 2009-2010, the average salary of \$77,200 as reported by the Chamber is consistent with data presented in *Florida Defense Industry Economic Impact Analysis*, Volume 2, January 2008, a study of the defense industry conducted by the Haas Center for Business Research and Economic Development, University of West Florida.
- ❖ Total defense industry employment of 73,850 is equal to the Haas Center’s estimate of total jobs generated due to the military in 2005.
- ❖ The Chamber’s reported \$5.1 billion economic impact of the military is consistent with the Haas Center defense study, which found defense expenditures had an economic impact of \$5.145 billion in 2005 and \$5.657 billion in 2007.
- ❖ The Haas Center’s econometric modeling also found capital investment in residential and non-residential real estate, plus durable equipment purchases attributable to defense spending totaled \$531.9 million in 2005.

**Workforce Development**

The fiscal year 2009 Chamber performance report stated that student enrollment in career academies encompassed 35% of high school education, and the Chamber goal is to increase participation to 45% over the next five years. It reported that there are 43 career academies in Escambia County and 16 career academies in Santa Rosa County. The 2009 report also stated that graduation rates in

Escambia County increased from 64.9% in school year 2002-03 to 75.7% in school year 2007-08.

Note: We did not conduct validation work in this area, since it was not a specified use of County funds.

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## Community Events

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The Chamber receives County monies for funding of community events, but is not responsible for managing these events or the nature of the expenditures made by the event managers. The community events are: DeLuna Fest, Mardi Gras, Memorial Weekend, and Fall Festival.

The County has not defined a methodology to assess the return on investment for such events. To do this, the County should consider the quality of life aspects for the community, in addition to the dollar impact on the local economy. The quality of life indicators would require qualitative data, obtaining feedback from citizens on their perception of the value of these events.

## Tech Park Grant & Project

The Pensacola-Escambia Promotion and Development Commission (PEDC) was formed in 1967 to promote and develop tourism and industry in the County and in the City of Pensacola. On February 21, 2008, the PEDC entered into an agreement (the Agreement) with the County, the City of Pensacola and the Community Redevelopment Agency of the City of Pensacola to develop a Technology Park in downtown Pensacola. Pursuant to the Agreement, the County and the City conveyed certain properties to the Commission with fair value of \$6,900,000 and \$1,425,000, respectively. The County and City are to receive 83% and 17%, respectively, of the proceeds from sales of lots in the Technology Park. If the total of all proceeds paid to the County and City is less than the appraised values above, the difference shall be paid to the County and City by the Community Redevelopment Agency from any revenues in its Urban Core Community Redevelopment Trust Fund, directly accruing to and received from the Technology Park property.

The PEDC is responsible for the design, development, marketing and sale of the Tech Park property. According to the interlocal agreement, the construction of the Tech Park infrastructure was to be completed within 30 months of the date of the agreement, or August 21, 2010. Funding for this construction was provided by the County in the form of an interest-bearing line of credit, in the amount of \$2.5 million. If certain conditions are not met, including the completion date requirement

noted above, the County and City have the right of reentry to recoup their investment.

Total construction costs were estimated at \$3.7 million. On May 21, 2009, the Commission was awarded a \$2 million Public Works and Facilities Development Grant through the Economic Development Administration (EDA) of the US Department of Commerce for the balance of the construction cost of the Technology Park. The grant agreement sets forth certain reporting and compliance requirements, noncompliance with which would result in the return of the funds to the grantor. The requirements include a semi-annual financial status report, quarterly project performance reports, and reports on program performance and outcomes on the three, six and nine year anniversary dates of the award approval date (March 11, 2009). The EDA defined the anticipated impact/outcome of the grant monies expended to be: 670 jobs created and \$26.5 million in private investment leveraged. In addition, the investment is described to be for construction of “street and water infrastructure, for the Pensacola Technology Campus in downtown Pensacola, a brownfield site”, with three technology companies locating on the campus and additional sites in the park available for future growth. The construction is scheduled to be completed May, 2012.

In accordance with the grant requirements, an audit was conducted pursuant to OMB Circular A-133, for the year ended September 30, 2011. The financial statements, as of that date, report a liability to the County of \$9,615,760. As of the date of this report, none of the 40 Tech Park lots had been sold.

It would be prudent for the County to request the Chamber provide a strategy for selling the Tech Park lots, fulfilling goal expectations and repaying the County for its investment. Although this initiative is most likely a long-term return on investment, establishing milestones and monitoring them would ensure accountability is demonstrated to County citizens.

## Results Compared to other Counties

To assist the County in comparing its economic development efforts with Florida Counties of similar size, we obtained and compiled a variety of relevant data, included in the Appendices of this report. The following “bullet points” summarize some of the more notable trends we observed from these data. Our work is not intended to be a complete economic analysis of the County, but is presented within the context of a performance framework. The County can use this framework and related data as a basis to work with the Chamber and other stakeholders to develop a performance management

system for County economic development activities. This effort will enable the County to obtain consistent performance data for desired strategic outcomes and assess the effectiveness of the various programs and activities toward attaining target goals and objectives. Following are highlights of the data collected:

There are several measures of the strength of a county's economy, which are shown in the bullets of this section.

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## Productivity of the Economy

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One of the most encompassing measures is a county's *Gross Regional Product* (GRP). Similar to the national level measure, *Gross National Product* (GNP), GRP is defined as the market value of all final goods and services produced within the county area in a given year. It is equal to total consumer, investment, and government spending, plus the value of exports out of the area and minus the value of imports into the area.

- ❖ The County's GRP was \$12.4 billion in 2008, ranking it as the state's 15th largest economy overall, and accounted for 1.59 percent of the state's GRP.
- ❖ While Escambia County has the largest economy in Northwest Florida, Miami-Dade's economy was 10 times the size of Escambia's and ranked first among all 67 at \$121.4 billion.
- ❖ Escambia's was the largest economy of all eight comparable counties, the smallest of which, St. Lucie, ranked 24<sup>th</sup> in the state.

## Extent of Employment & Unemployment

- ❖ Total employment grew from 114,397 in 1990 to 127,149 in 2000, and continued to experience an upward trend through 2008, when it peaked at 129,723. Since then, overall employment in the County has declined to a level below that of 2000, total employment being 126,409 in 2011.
- ❖ During the past decade, the County's unemployment rate has generally been at, or below, the Florida statewide average.
- ❖ The economic downturn has caused the unemployment rate to grow dramatically, from a low of 3.8% in 2005 to 10.1% in 2011. This parallels the Florida pattern, but with less severity. The County's rate falls in the middle of the comparative counties—substantially lower than four and higher than three, including Okaloosa which hit 7.4% in 2011.

## Available Labor Force

- ❖ The County's labor force grew by 4.5% between 2005 and 2010, compared to a statewide growth rate of 7.1%, ranking it fifth among the eight counties compared in this report.
- ❖ The labor force is an increasingly smaller percentage of the population, both statewide and in Escambia. Moreover, while 62.0% of the population statewide was in the labor force as of 2010, the County had only 59.6% of its population in the labor force. Only the three counties with the highest retirement populations (Lake, Manatee, and St. Lucie) ranked lower.

## Strength of Human Capital

- ❖ At 86.7%, the percentage of the Escambia County population which has graduated from high school is higher than the statewide average of 85.3%. However, it is significantly lower than that of neighboring Okaloosa County with 90.7%. Moreover, the percent of the County population with a Bachelor's or Higher Degree is below the statewide average, 23.4% versus 25.9%.
- ❖ The County is attracting a larger retirement aged population with stable, fixed incomes, but to be competitive in expanding existing and attracting new businesses, the County will have to ensure its labor force has the requisite skills and education.
- ❖ While the County's total population has declined, the University of West Florida has noted it has experienced strong student population growth, attracting additional first-time freshmen from outside the immediate area because of its small class sizes, low faculty-to-student ratio, and welcoming environment. This could be a benefit to the area's labor force if jobs in the area are available to retain these university students.

#### Size & Age of Workforce

- ❖ The County ranks 18<sup>th</sup> out of the 67 Florida counties in total population as of 2010.
- ❖ While Florida's population grew by 17.6% percent between 2000 and 2010, Escambia grew by only 1.1% during the same timeframe.
- ❖ The County actually lost population between 2007 and 2010, when it declined from an estimated 300,184 to 297,619 persons. This could be a reflection of recent natural and manmade disasters (hurricane and Gulf Oil Spill); the economic downturn, with ongoing housing/mortgage problems; and, high costs for taxes and insurance along the coast. Possible reasons may also be a lack of job opportunities, other than service industry jobs. This loss of population is an issue that should be investigated and understood by the community, and then taken into consideration in its goals.
- ❖ Escambia's population is somewhat younger than the state as whole. The median age for the county is 37.6 versus 40.7 for Florida.
- ❖ The *Prime Working Age Population*, the number of persons between the ages of 18 and 64, is an important indicator of an area's ability to provide the workers businesses need to be successful. The County has the second largest prime working age population among the comparable counties, only Leon has a larger number. However, in terms of percent of the total population in this category, Escambia ranks 5<sup>th</sup>, as only 64% of its population are between 18 and 64.
- ❖ An additional 21.6% of the population is aged 0-17, and will be entering the labor force over the next few years. This is the third highest level among the comparable counties. The Chamber's emphasis on training programs may be helpful, and their success should be evaluated in helping ensure that the labor force have the jobs skills businesses need now and in the future. It is also critical that the Chamber's business development programs provide high quality jobs to meet the needs of the County's population and retain the workforce-age population who contribute most strongly to the County's economy.

#### Extent County Supported by Federal Dollars

- ❖ In 2010, *Federal Direct Expenditures* in the County added nearly \$4 billion dollars to the local economy, up from \$2.2 billion in 2000. The County accounted for 2.4% of all federal direct expenditures in Florida. Because these dollars originate from outside Florida, they help grow the size of the County's "economic pie", bringing in new dollars to circulate throughout the local economy.

- ❖ Altogether, Escambia County received an average of \$12,900 per person in federal direct expenditures from a variety of federal programs. The largest source (36.8%) of these funds is federal *Retirement and Disability* payments to individuals. The second largest (23.1%) comes from a variety of federal programs categorized as *Other Direct Payments*, and includes unemployment compensation, food stamps and public assistance, flood insurance, housing assistance, and employer workers' compensation, health, and life insurance premium payments for federal employees.
- ❖ A rapidly growing source of federal expenditures is the *Procurement* category which has nearly tripled from 5.8% in 2000 to 16.6% of all federal direct expenditures in the County in 2010.
- ❖ *Salaries and Wages* continue to be an important source of federal dollars and include military payrolls as well as salaries/wages paid for the Postal Service, federal judges, and employees of other federal agencies such as the Veteran's Administration.

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## Capacity for Innovation

- ❖ Today's Innovation Economy requires a labor force with strong scientific and technical education and skills. The County can work to improve its level of educational attainment, specifically Bachelor's or higher postsecondary degrees, to better provide a workforce which will attract the types of businesses targeted for its new science park.
- ❖ The *Professional, Scientific, and Technical Services* sector comprises establishments that specialize in performing professional, scientific, and technical activities requiring a high degree of expertise and training, for clients in a variety of industries. Businesses in this sector are generally small, often local entrepreneurs meeting the demands of a growing business sector and/or a growing population. In the County of Escambia, the number firms in this sector grew by 11.3%, a somewhat slower rate than for the state as a whole, and had an average of 7 employees, somewhat higher than the state average.
- ❖ "It is conventional wisdom that universities and venture capital are necessary components of any high-tech agglomeration," according to a 2004 study on science parks funded by the AEI Brookings Joint Center for Regulatory Studies. The study notes that universities draw scientists and engineers to a region and generate knowledge that can be used by nearby firms. With the University of West Florida and other post-secondary institutions located in the County, these should be considered major assets for fostering goals in innovation and high-tech industry development.
- ❖ A 2007 study of North American Research Parks by Battelle Technology Partnership Practice, in cooperation with the Association of University Research Parks, notes that to compete in technology development, a region or state in its economic development efforts must differentiate itself and cultivate and sustain specialized areas of expertise where it can be a world leader. A successful research park must build on the strengths found in its local "clusters of innovation" - distinct groups of competing and cooperating companies, suppliers, service providers, and research institutions.

## Strength in Entrepreneurship & Entrepreneurial Diversity

- ❖ An indication of an area's environment for entrepreneurship is the level of minority business ownership. In 2007, 30.6% of Escambia County's 24,187 firms were Woman-owned, 9.5% Black-owned, and 3.7% Asian-owned. All groups were higher than their respective shares statewide, indicating a generally positive



environment for minority entrepreneurship. Only Hispanic-owned businesses were substantially below the statewide average, 2.4% in Escambia versus 22.4% statewide.

- ❖ The percent of the population reported as, *Black*, in the County is 22.9%, indicating that Black-owned business is significantly under-represented. Although *Hispanics* account for only 4.7% the County's population, versus 22.5% statewide, Hispanic businesses are still slightly under-represented.
- ❖ Another measure of the health of entrepreneurship in a community is provided by statistics on non-employer businesses. In addition to the nearly 8,000 employers in the County in 2009, there were an additional 17,648 non-employer businesses with receipts of more than \$640 million.
- ❖ Escambia ranked 5<sup>th</sup> among the comparable counties in number of non-employers, while Manatee ranked 1<sup>st</sup> with 22,958 and Osceola 2<sup>nd</sup> with 20,542.
- ❖ For non-employers in all industry sectors in the County, receipts averaged \$36,273 per non- employer, which was lower than the statewide average of \$39,087. Okaloosa ranked highest with an average of \$43,519 followed by Manatee at \$42,995.
- ❖ Within Escambia's non-employer industries, the *Wholesale Trade* sector had the highest average receipts at \$63,111, followed by *Real Estate* at \$56,215. *Administrative and Support Services* was the lowest with an average of only \$17,679.
- ❖ Most of the County's sectors had receipts which fell below the statewide average. However, *Other Services*, *Transportation and Warehousing*, *Retail Trade*, and *Construction* all had average receipts per non-employer which were well above the Florida average.

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## Strength of Business Assets & Investments

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### Competitive wages

- ❖ The County wage levels are very competitive compared to other areas throughout Florida. According to the Florida Comparative Relative Wage Index for Counties (FCWI), prepared by the University of Florida, Escambia ranks 43<sup>rd</sup> in the state in the relative wages paid to a typical worker performing the identical job across Florida at a particular point in time. As businesses seek to cut costs, competitive wage levels are an important factor in their success.
- ❖ The FCWI ranks Florida counties against a statewide average which is shown as 100. At 94.08, the County of Escambia is next to the lowest of the eight comparable counties.

### Strength in Industry Diversity & Knowledge

- ❖ Of the eight comparable counties, Escambia and Manatee have the strongest manufacturing sectors when measured by value of shipments. In 2007, with shipments valued at more than \$2 billion, Escambia accounted for 2.0% of total Florida manufacturers' shipments.
- ❖ The national economic downturn and housing market collapse has dampened the entire construction industry and brought new home construction to a virtual standstill. Building permits in the County plunged from 2,602 in 2005 to 973 in 2010. The drag on the economy has affected economic growth across the board. Diversity in the County's industrial sector is an important factor in mitigating these negative impacts. The stability offered by the area's military sector is a good example of economic diversity.

- ❖ Growth of the *Management of Companies and Enterprises* sector can contribute to economic diversity, as well as to higher salaries and improved quality of the job experience. Typically thought of as major corporate headquarters, companies in this sector also can be the headquarters of local firms, regional or district offices, or holding companies. Growth in this sector can also be an indicator of the environment for entrepreneurship in an area. In 2010, the County of Escambia had 34 reporting units in this sector, employing 573 persons with total payrolls of \$2.7 million.
- ❖ Between 2005 and 2010, the County experienced a 21.4% increase in the number of reporting units in the *Management of Companies and Enterprises* industry sector. However, growth statewide was 40.0%. Among the comparable counties, Escambia ranked 4<sup>th</sup>, with Lake, Leon, and Alachua Counties exhibiting higher growth rates.
- ❖ Despite the overall growth in the number of firms in the *Management of Companies and Enterprises* sector, it too has been impacted by the economic downturn. Corporate retrenching and cost cutting took its toll on employment and payrolls. In the County, employment in this sector declined 45.6% and payrolls dropped by 54.0% during the period. Only Alachua and St. Lucie saw increased employment in this sector and only Alachua and Manatee experienced growing payrolls.
- ❖ The Pensacola Regional Airport, Amtrak and CSX rail, Interstates 10 and 110, and the Port of Pensacola, which serves as a foreign trade zone, provide the County with an efficient and highly competitive transportation infrastructure. These facilities not only generate jobs, they are also critical support for the area's manufacturing, tourism, defense, and trade sectors.
- ❖ *Total Private Sector Non-Farm* earnings totaled more than \$5 Billion in the County in 2009. The County accounted for some 1.4% of such earnings statewide. Nearly one-quarter of all private non-farm earnings were generated by the *Healthcare* industry, which contributed the largest share of any of Escambia's industry sectors.
- ❖ In terms of earnings, the top six industries in the County are: *Healthcare* (23.2%); *Retail Trade* (9.8%); *Professional, Scientific and Technical Services* (9.4%); *Construction* (8.5%); *Finance & Insurance* (7.1%); and *Manufacturing* (6.4%). Together, these six industries account for 64.4% of private non-farm earnings in the County.
- ❖ When compared to their statewide counterparts, the *Healthcare*, *Construction*, and *Retail Trade* sectors each generate a larger share of earnings in the County than is the case statewide. Conversely, all other industry sectors in the County generate smaller shares than their statewide counterparts, including those industries included in Tourism activity.
- ❖ In terms of employment, the County's largest sectors are: 1) *Education & Health Services* (19.3%); 2) *Trade, Transportation & Utilities* (18.7%); 3) *Government* (18.7%); 4) *Professional & Business Services* (11.7%); 5) *Leisure & Hospitality* (11.3%); and 6) *Construction* (6.1%).
- ❖ *Tourism-related* industries account for 11.3% of employment, but only 5.5% of earnings. *Financial Activities* and *Manufacturing* account for 9.9% of employment and 13.5% of earnings.
- ❖ The industry structure of an area is always fluid, some industries are growing while others are waning or temporarily impacted by larger economic trends. A study of establishment "births and deaths" between 2007 and 2008 (the latest period for which such data are available) reveals some trends. Even though there was a net loss of 164 establishments, companies were opening at the same time others were closing. The

sectors with the largest losses were *Construction, Retail Trade, Accommodation and Food Services*, and *Real Estate* which are cyclical industries, sensitive to economic downturns.

- ❖ Sectors which had gains included the (1) *Information*, (2) *Finance and Insurance*, (3) *Management of Companies*, (4) *Administrative & Support Services*, and (5) *Professional, Scientific, and Technical Services* sectors. These are industries which are part of today's growing "Knowledge Economy".

#### Contribution of Defense Industry

- ❖ Escambia County is home to Naval Air Station (NAS) Pensacola, Saufley Field, Naval Technology Training Center/Corry Station, and Naval Hospital/Pensacola. Primary units include Naval Aerospace Medical Research Laboratory, Naval Operational Medicine Institute, Naval Education and Training Command (NETC)/ Saufley Field, Training Wing Six, Center for Information Dominance (CID)/Corry Station, USAF 313th Training Squadron (Intelligence and Information Warfare).
- ❖ Escambia County provides an excellent environment in which its military facilities can survive and prosper. The number of personnel at NAS Pensacola has grown 23.1%, adding a total of 4,314 persons. The County may wish to explore ways to foster the growth of higher value roles and missions to the area.
- ❖ The presence of military installations in Escambia County and the Florida Panhandle has led to the existence of a sizeable defense contractor sector in the County. According to the 2011 *Florida Defense Industry Economic Impact Analysis* by the Haas Center for Business Research and Economic Development, University of West Florida, Escambia ranks 9<sup>th</sup> among all Florida counties in the number of defense contractors, with 524.
- ❖ Between 2000 and 2009, Escambia County's defense contractors won more defense contracts—some 8,960—than any other of the comparable counties, ranking 8<sup>th</sup> statewide. Okaloosa ranked 10<sup>th</sup> and Manatee ranked 13<sup>th</sup>.
- ❖ These defense contracts brought nearly \$1.9 billion into the Escambia County economy, ranking the county 11<sup>th</sup> in the state in total value of contracts. However, Okaloosa County ranked 4<sup>th</sup> in value statewide, with \$6.7 billion in defense contracts. There was a significant difference in average value of contracts per defense contractor: \$3.5 million in Escambia and \$14.9 million per contractor in Okaloosa. The County may want to explore opportunities for attracting higher value contracts.
- ❖ The Center for Innovation and Technology at Saufley Field is a new development initiative which is the result of an Enhanced Use Lease and Business Agreement at Saufley Field. It consists of two non-contiguous parcels, one approximately 86 acres and one approximately 18 acres, and is considered commercial office/light industrial. There are existing facilities with potential for redevelopment, as well as, what is described as unique telecommunication advantages, which can offer significant advantages to attract new roles and missions, as well as, new or expanding defense-related companies.
- ❖ If it hasn't already, the County may want to ensure that the new Tech Science Park and the Saufley Field development complement, rather than compete with each other for new business opportunities.

#### Contribution of Tourism Industry

- ❖ Both the State and local tourism industries have weakened during the current economic downturn. The industry also undoubtedly suffered as a result of numerous hurricanes and the Gulf Oil Spill. Taxable sales reported by transient rental facilities showed a steady decline from 2008 through 2010. This is probably due, in part, to a lower average room rate, as well as, a drop in overall visitor levels.

- ❖ In 2010, when ranked against Escambia County's 10 other major industry sectors, the *Leisure and Hospitality* industry paid the lowest average wage, only \$14,874. The top paying industry in Escambia County, *Manufacturing*, paid an average wage that was 3½ times as much, some \$52,921. Even the average of all industries together was 2½ times the average wage paid by the *Leisure and Hospitality* industry.
- ❖ Statewide, the average wage paid by the *Leisure and Hospitality* industry was \$21,448 versus the County's average of \$14,874. Among the comparable counties, only Leon County was lower. Osceola's average was \$28,353, which was the highest among the comparable counties and is almost double that of Escambia County.
- ❖ The County's tourism industry pays very low wages. It appears the County's *Leisure and Hospitality* industry lacks the more up-scale amenities and attractions which pay higher level wages. The County may want to re-evaluate the role this industry should play in its industrial mix and whether anything can be done to improve the level of wages paid by this sector. The new baseball stadium may contribute positively to this goal.
- ❖ Tourism-related industries account for 11.3% of employment, but only 5.5% of earnings.
- ❖ Nature-based recreation was a surprisingly small sector in the County, accounting for only an estimated 324 jobs in 2008, ranking it 4<sup>th</sup> among the eight counties. Manatee County ranked first with 1,220, nearly four times as many jobs. This figure probably somewhat under-estimates the actual nature-based employment, as there is no comparable way to measure jobs generated by beach and swimming activities.
- ❖ In 2007, tourism in Escambia County accounted for well over a half a billion dollars in receipts/sales generated by tourism-related businesses in the Arts, Entertainment & Recreation (AE&R) and Accommodation & Food Services (A&FS) sectors. (This is the latest year for which these data are available.)
- ❖ Among the eight comparable counties, Escambia only ranked 4<sup>th</sup> largest in AE&R receipts and 3<sup>rd</sup> largest for A&FS sales.
- ❖ The growth of these industries in Escambia between 2002 and 2007 was well below the state average in each sector and compared poorly to the growth experienced in the other comparable counties. For AE&R receipts, the County experienced a growth rate of 26.7% versus the statewide rate of 35.9%, which ranked Escambia 4<sup>th</sup>. In A&FS sector sales, the County grew by 26.0% versus 43.2% for the state as a whole, ranking Escambia last among the eight counties.
- ❖ A healthy and diverse tourism industry can also provide many services and activities which may contribute to the quality of life for residents and make an area a better and more fun place to live. The County has many assets which support a high quality of life and could be used to attract other types of industry to the area. A high quality of life is particularly important to entrepreneurial and innovation businesses.

#### Extent Incentives Provided to Industry

- ❖ In compliance with new reporting requirements mandated by the 2010 Legislature (Chapter 2010-147, *Laws of Florida*), data on economic development incentives are self-reported by local governments to the Legislature's Office of Economic and Demographic Research (EDR), which has compiled a report from the first submission of incentives data. According to EDR's *Economic Development Incentives Report* (On-line Reports, [edr.state.fl.us](http://edr.state.fl.us)), Escambia County reported, via the Chamber, the following results for FY 2010.

- Direct Incentives—\$500,000

- Indirect Incentives—\$1,049,219
  - Fee & Tax-Based—\$3,916,704
  - Below Market Lease/Deed—None
  - Total All Types of Incentives Provided—\$5,465,923
- ❖ Escambia County accounted for 6.5% of the total amount of incentives (over \$84 million) provided by the 38 reporting counties. Of the eight comparable counties, Escambia provided the highest level of incentives, only St. Lucie County was even close with nearly \$4.4 million.

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## Extent of Personal Income and Strength of Resident Assets

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- ❖ Despite the economic downturn, the County's rate of filings for personal bankruptcy declined from 4.44 per thousand in 2000 to 3.73 per thousand in 2010, ranking the County 35<sup>th</sup> statewide and fourth among the comparable counties. Two of the comparable counties ranked first and second in the state (Osceola and Lake, respectively). The state average in 2010 was 5.62 per thousand.
- ❖ In 2010, Escambia County accounted for 1.8% of the state's poor population. The 53,655 poor in the County totaled 19.1% of Escambia's total population. Of the eight comparable counties, Escambia had the third highest level of poor. Only Alachua and Leon Counties, both with high levels of student populations, fared worse.
- ❖ In 2009, per capita personal income reached \$34,133 in Escambia, well below the state average of \$38,965. However, per capita personal income has been rising in the County, increasing 44.1% between 2000 and 2009. It grew faster than the state as a whole, which increased by 34.0%. Of the comparable counties, only Alachua (44.3%) and Okaloosa (52.8%) had faster rates of per capita income growth.
- ❖ Escambia also trails the statewide average in median household income—\$41,428 versus \$44,390.
- ❖ As opposed to per capita or per person income, household income measures the combination of more than one income earner living in the same household. Median household income is the middle value in a list of all household incomes in the County in order from lowest to highest. Half of Escambia households make above \$41,428, and half make below that amount.
- ❖ Median household income in Escambia County rose at a slower pace than per capita personal income, only 20.6% between 2000 and 2010. However, it also outpaced the state as a whole (up 14.5%) during the period, and of the eight comparable counties only two had faster rates of growth.
- ❖ Similar to the state of Florida as a whole, Escambia County has seen home ownership decline during the last decade. In 2000, 59.9% of homes were owner-occupied. By 2010, that rate had declined to 55.2%, which is slightly less than the state average of 55.6%. Conversely, there has been a sizeable rise in the percent of homes which are vacant, up from only 10.9% in 2000 to 14.9% in 2010, which is lower than the state rate of 17.4% for the same period.
- ❖ The median value of owner-occupied housing units in the County is \$148,000 versus \$205,600 for the state as a whole.

- ❖ A low cost of living benefits residents in that their dollars go farther. The County ranks 31<sup>st</sup> lowest in the state, according to the *Florida Price Level Index*. This index is based on the cost in each county of a set “basket” of goods and services and is pegged against a statewide average which equals 100. In 2008, Escambia’s index was only 89.93, ranking it 31<sup>st</sup> among the 67 counties.
- ❖ The County’s cost of living, in comparison to the state average, has improved since 2000 when its index was 93.22. It ranks seventh lowest among the eight comparable counties. This low cost of living can help attract new businesses who may consider a low cost of living to be a quality of life advantage for their employees and a contribution to competitive wage levels.
- ❖ Quality of Life issues can affect a community’s attractiveness to new or expanding business, as well as, its ability to attract and retain a skilled workforce. Escambia County’s crime rate could be a negative factor, as it was the highest of the comparable counties and well above the state average on two crime measures—crime per 100,000 population (4970.1 for Escambia versus 4104.7 for Florida) and prison admissions per 100,000 population (309.1 versus 185.1).

## Chamber Collaboration with other Counties

The Chamber’s *Vision 2015* plan includes collaboration with the County of Santa Rosa. The formation of regional development partnerships is a concept which has been implemented throughout the state over the past several years. In Florida, many areas have formed regional alliances to foster economic growth — Florida’s Heartland Regional Economic Development Initiative Inc., Opportunity Florida, Florida’s Great Northwest, the South Florida Regional Business Alliance, Central Florida’s myregion.org, and the Tampa Bay Partnership, to name a few. Using the regional approach, a coordinated, comprehensive plan supported by citizens and businesses throughout the area can be created to map out key issues hindering economic prosperity in the area; determine a framework of goals, objectives and strategies for improvement; and, provide an agreed-upon structure for implementation. A study of other regional organizations and experiences can provide invaluable lessons learned and “best practices” for structuring a regional alliance. This is an opportunity where the whole can be greater than the sum of its parts. The Chamber is already a member of Florida’s Great Northwest (FGNW), which is the regional economic development organization representing the 16-county “Panhandle” region of Northwest Florida. FGNW is an investor-supported 501(c) (6) nonprofit corporation created to assist companies that are evaluating Northwest Florida as a business location. The goal in collaborating with Santa Rosa County is a three-phase project that outlines steps needed to stimulate the region’s economy and help local business expand and grow. The Chamber desires to address declining population growth and higher unemployment, which began subsequent

to Hurricanes Ivan and Katrina in 2004-2005. Their long-term effects included higher insurance premiums and limited coverage availability, contributing to a decrease in housing sales. Recovery was thwarted by the 2008 recession, with declines in the housing market, international trade, and commodity prices; along with rising unemployment rates. Then, in the spring of 2010, the *Deepwater Horizon* oil spill occurred, affecting the tourism industry. The presence of the defense industry in Escambia County provided some stability and economic benefits. The cooperative effort with Santa Rosa seeks a more diversified economy for citizens to mitigate effects such as those recently experienced, taking advantage of an opportunity to realize economies of scale by working together. The project will involve research, strategy development and implementation, and marketing.

## Reporting in Accordance with Agreements

The Chamber is required to provide an annual narrative progress report to the County. In addition, the Chamber must submit documentation to support its requests for reimbursement. The Chamber generally complied with reporting requirements; however, the appropriation for the *Foundations for Florida* monies required a quarterly statistical report, which we were not able to validate as having been submitted. In addition, the County Clerk staff did request more prompt compliance and organization in submittal of the supporting expenditure documentation provide to evidence proper and allowable spending, in accordance with agreements.

The Chamber is working to develop more and improved performance measurement for their programs. This is an opportunity for the County to work with the Chamber to establish a more goal-oriented, data-driven performance reporting process. If the Chamber improves its performance tracking and expenditure documentation processes, a less extensive expenditure monitoring system may be possible.

## Chamber Procedures & Internal Control

The Chamber has some written procedures to assist in providing for internal controls, though the recently issued independent financial audit report for the Chamber cited some internal concern deficiencies and disclosed *Related Party* transactions, as shown below. The Chamber recently hired accounting staff and has implemented *QuickBooks* as their new accounting system. This system will provide more efficient accounting for the various cost centers, and provide more *ad hoc* reporting

capability.

**Finding 11-1: Segregation of Duties**

*Auditor’s Comment:*

As we have noted in previous audits, the lack of a formal office staff limits the extent of segregation of incompatible duties. The basic premise is that no one person should have access to both cash and the related accounting records or to all phases of a transaction. While it may not be economically feasible to hire staff simply to achieve adequate segregation of duties, we recommend that the Commission continue to take steps, wherever practicable, to improve segregation of duties. We also recommend that the Commission periodically reevaluate the controls to ensure that material weaknesses do not develop.

*Management’s Response:*

Due to small size of the Chamber’s office staff, there is a limited extent of separation of duties. While it is not economically feasible to hire additional staff, the Chamber has separated incompatible functions where it is deemed practical. This has reduced the likelihood of intentional or unintentional errors and irregularities.

**Finding 11-2: Financial Reporting**

*Auditor’s Comment:*

During the audit, we proposed several audit adjustments to fully close out the books and to correct certain account balances. The incomplete condition of the accounting records was attributed to turnover in the accounting staff and time constraints on new personnel. As the new accounting personnel adjust to their roles, we recommend that their duties be reviewed and adjusted as necessary to ensure timely and accurate financial reporting.

*Management’s Response:*

As the accounting staff continues to adjust to their new roles, duties will evolve to ensure efficiency and accuracy in the financial reporting for the Commission.

Source: Excerpt from FY 2011 PEDC financial audit



### **Internal Controls Over Financial Reporting**

During the year ended September 30, 2011, the Chamber experienced a significant amount of turnover in its accounting and finance positions and the position primarily responsible for financial reporting was expanded to include more operational responsibilities. In addition to this turnover, unfamiliarity with the accounting software and time constraints contributed to, certain financial reporting and accounting procedures not being performed consistently during the year.

As a result, we noted several accounts were not reconciled and various adjustments were necessary to correct the accounting records. These conditions, which the Chamber's management asserts would have been identified by internal controls if more manpower and/or time were available to properly close the books prior to the audit, are summarized as follows:

- Certain accruals and deferrals necessary to convert from the cash basis of accounting to the accrual basis of accounting had not been made.
- The allowance for doubtful accounts and pledges was not reviewed and adjusted.
- Certain in-kind donations were not recorded.
- Certain intercompany transactions and balances were not properly reconciled.
- Certain grant revenues and expenditures resulting from subrecipient activity were not accrued.

Financial reporting is the responsibility of the management of the Chamber. Controls should exist to ensure that transactions are consistently recorded in a timely manner and are presented in conformity with generally accepted accounting principles.

We recommend that the Chamber review the duties and workload of the accounting and finance personnel in order to strengthen internal controls and to ensure that personnel have the time, necessary skills and training to prepare timely reconciliations of account balances and adjust the accounting records accordingly. We also recommend the Chamber periodically re-evaluate controls over financial reporting and determine whether they are functioning as designed.

#### *Management's Response:*

The management of the Chamber has undergone a complete reorganization of the finance department including new accounting software. Current Chamber personnel have the appropriate time, skill and training necessary to ensure that transactions are consistently recorded in a timely manner and are presented in conformity with generally accepted accounting principles.

Source: Excerpt from FY 2011 Chamber financial audit

### **Gift Cards and Inventory Procedures**

The Chamber maintains a large inventory of gift cards associated with the BP Lodging Voucher Program. The majority of these cards are located at the Chamber's downtown office but cards are also distributed to and held by the Pensacola Beach Chamber of Commerce and Pensacola Visitor Information Center to be distributed to tourists participating in the program. Although we noted that a count of gift cards was performed at year-end, other counts conducted throughout the year had not been reconciled to the accounting records and there were no schedules indicating what the year-end balance should have been. Additionally, the Chamber did not maintain a schedule reconciling the number of gift cards received and distributed in total or by location to the general ledger during the year. As a result, a count of all cards at each location was needed in order to determine the appropriate balance as of year-end and to adjust the accounting records for gift card receipts and disbursements for the year.

The lack of tracking of gift cards and reconciliation of amounts to the general ledger on a regular basis throughout the year is a serious weakness in internal controls that could allow abuse or fraud to occur and not be detected in a timely manner. We recommend the Chamber formally document and adopt procedures for performing a periodic physical count of the gift cards. These procedures should include specific tasks to be performed by appropriate Chamber personnel including procedures on reconciling the balances on-hand at each location and the frequency for which the counts should be performed. These procedures will provide better financial information to the Chamber's management as well as accountability of funds expended as part of the program.

#### *Management's Response:*

The management of the Chamber has implemented appropriate controls and performs periodic physical counts of the gift cards to ensure abuse or fraud does not occur relative to improper handling of the gift cards. Gift card balances are reconciled to the general ledger monthly.

Source: Excerpt t from FY 2011 Chamber financial audit

### **NOTE 7 - RELATED PARTY TRANSACTIONS**

Various members of the Chamber's Board of Directors hold key positions with vendors used by the Chamber and Affiliates. Total expenditures to these vendors totaled \$199,730 and \$178,079 at September 30 2011 and 2010, respectively.

There were no amounts payable to these vendors as of September 30, 2011 and 2010, respectively.

Source: Excerpt t from FY 2011 Chamber financial audit

## Competitive Procurement Processes

The Chamber procedures do require a competitive bid process be followed. However, the Chamber's Board can decide not to follow a competitive bid process, if they deem the process inappropriate for the purchase or for some other reason, not to be in the best interest of the Chamber.

For a major marketing contract for which no competitive bid process had been followed, we observed that mutually agreed-upon outcome performance measures could be used to demonstrate the value derived by the County. For all contracts and more particularly those not competitively bid, a "best practice" followed in professional purchasing practice is performance-based contracting. Vendors are often very adept at establishing the first set of performance targets for the contract from which the purchaser, as deemed necessary, may negotiate with the vendor. Some measures may be output or production-oriented in the short-term, but the vendor should understand and be vested by contract, in the long-term outcomes that the Chamber and County desire to be achieved.

## *Foundations for Future Matching Funds*

The *Foundations for Future* monies provided by the County to the Chamber for economic development activities, requires the Chamber to match the funds with the same amount of funds or in-kind match. Below is a schedule of the Chamber Foundation revenues, indicating the amounts received from the County and City of Pensacola, the Chamber's own *Foundations for Future* revenue funds, and the In-kind contributions provided by donors to the Chamber. The details were obtained from the Chamber general ledger, with an adjustment shown, to agree the total revenue with the annual financial audit. The amount of Foundation Pledges receivable at the end of each year is also shown. We obtained schedules for the In-kind funds from the Chamber financial auditor, whose report indicated the contributions included television and radio production of the Chamber's weekly show, advertising space for promotion of the Armed Services' activities, office space, and consulting services; and, the computation of value for the contributions was based on fair value of the contributed item at the date received.

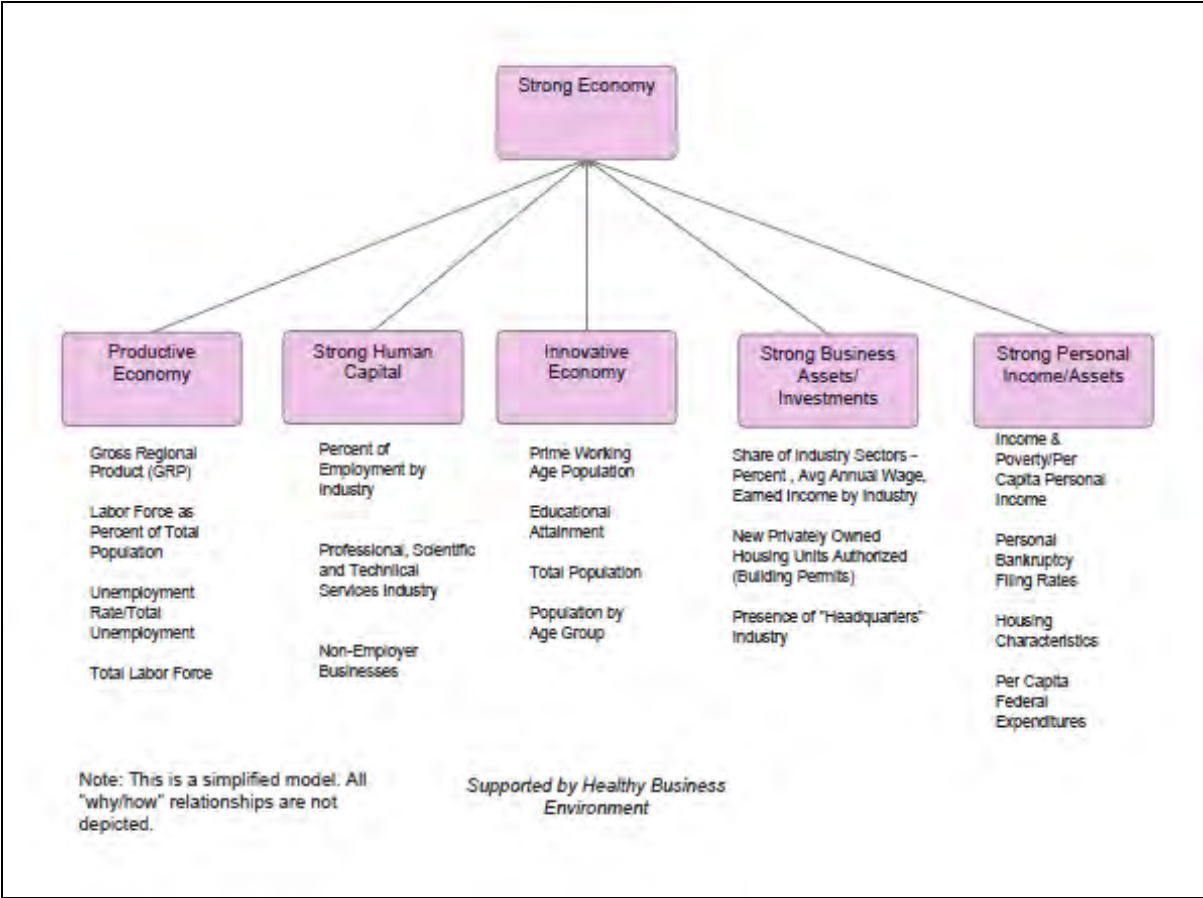
### **Foundations for Future Funding Sources**

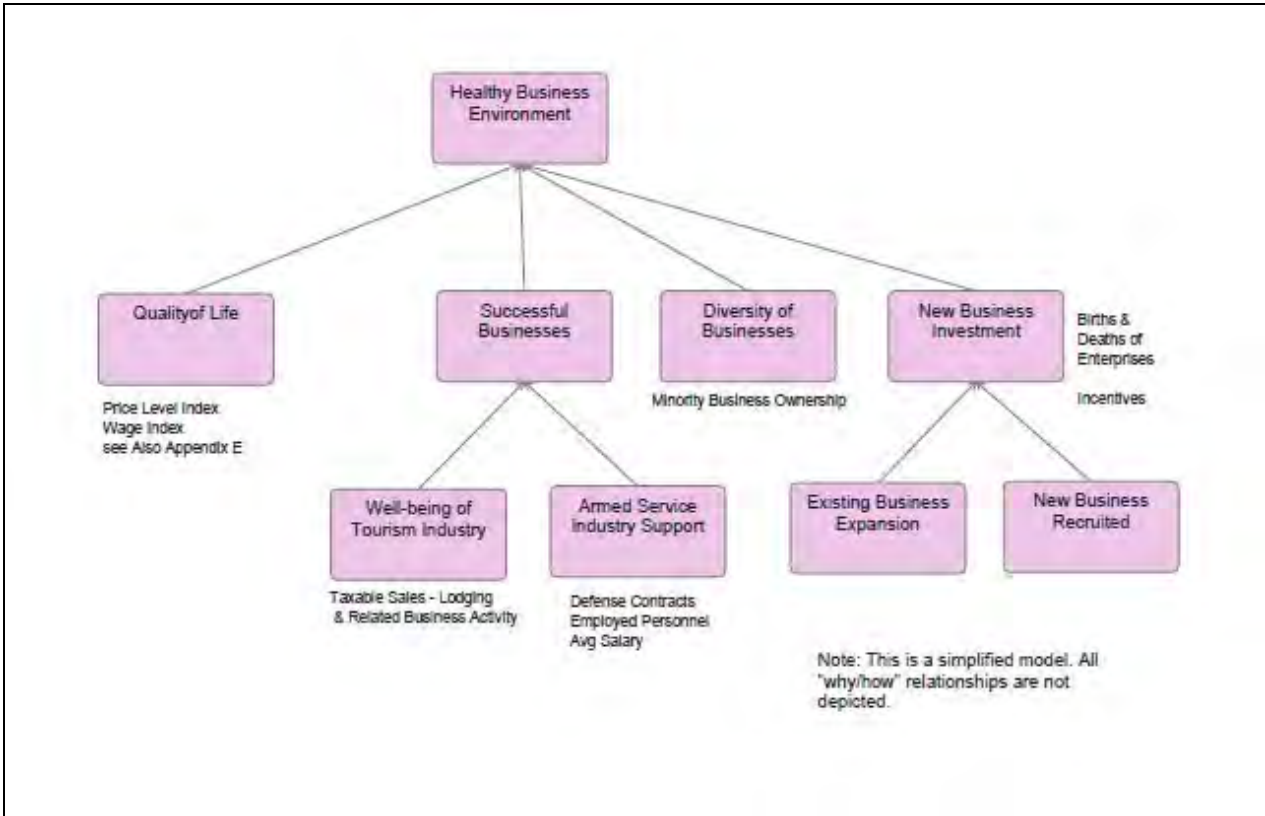
	FY2009	FY 2010	FY2011
County Investment	\$ 401,999	\$ 397,885	\$ 377,718
City Investment	175,000	175,000	175,000
Total County/City	<u>\$ 576,999</u>	<u>\$ 572,885</u>	<u>\$ 552,718</u>
Foundation Pledges	\$ 300,155	\$ 279,288	\$ 3,865,906
Leadership Pensacola	52,000	52,000	52,022
Voluntary Investments	11,757	14,529	12,100
Retreat Sponsorship Income	1,040	70	175
Ship Commissioning Income	-	-	159,110
Workforce Escarosa Grant	23,985	24,888	12,025
CIE Income (incubator program)	7,996	-	1,708
Tallahassee Income	1,380	5,875	5,557
Sessions Income	584	-	-
Graduation Income	1,175	300	1,075
Application Fee Income	1,675	1,775	2,200
Class Project Income	31,908	24,700	23,195
Interest Income	5,285	1,591	1,334
Misc - Foundation	30,000	8,116	-
Misc - Leadership Pensacola	904	383	-
Year End Audit Adjustments *	(58,110)	(32,888)	(2,695,871)
Other Foundation Revenue	<u>411,734</u>	<u>380,627</u>	<u>\$ 1,440,536</u>
Foundation - In-kind	\$ 312,375	\$ 250,488	\$ 245,582
Leadership Penacola In-kind	108,328	21,906	10,233
Other - In-kind	-	100	4,463
In-kind Contributions	<u>\$ 420,703</u>	<u>\$ 272,494</u>	<u>\$ 260,278</u>
Total Revenue	<u>\$ 1,409,436</u>	<u>\$ 1,226,006</u>	<u>\$ 2,253,532</u>
Pledges Receivable-net of uncollectible amounts (10%)	<u>\$ -</u>	<u>\$ 662,363</u>	<u>\$3,300,747</u>
*Amount of accruals, allowance for doubtful accounts or other year-end financial audit adjustments			

Source: Chamber General Ledgers and Independent Financial Audits

# Appendix A - Development of a Comprehensive Performance Management Framework

The County of Escambia has an opportunity to be recognized for establishing a comprehensive performance management framework to demonstrate the effective use of economic development funds. To assist in this effort, we developed the following program logic models which we believe reasonably capture the desired results which the County has specified in appropriation documents and which the Chamber has defined in its performance reporting. A program logic model provides desired outcomes in a “why/how” logic relationship, and is a necessary foundation for a good performance management or *scorecarding* system. We have also specified some performance indicators which could be used, which are shown alongside their related desired outcome.





We have collected and compiled data for most of these measures. The County can use the results of our work to assess the value of collecting such data on an on-going basis, to assess the state of Escambia’s current economy and economic development efforts. Another valuable type of evaluation, which is outside the scope of this report, is a more detailed economic analysis, using location quotients for determining the economic strengths and industry advantages of the County. Location quotient analysis is a valuable tool for quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in an area, compared to the nation. It can reveal what makes a particular area “unique” in comparison to the state or national average. This can be a fundamental key for future economic development strategies and goals, especially in light of the investments being made by the County.

# Appendix B - State of Escambia Economy

We have presented measures that can help the County assess the state of the Escambia economy in five overall areas: *Productivity of Economy, Innovative Economy, Strength of Business Assets and Investments, Extent of Personal Income and Assets, and Strong Human Capital*. This presentation is not intended to be a complete and final performance framework for assessing the County of Escambia’s economy, but provides assistance toward that goal.

The following indicators can be used to help assess the **Productivity of the County Economy**:

GROSS REGIONAL PRODUCT BY COUNTY--2008				
	2008 Gross Regional Product (In \$ Millions)	Rank Among the Eight Comparable Counties	Rank Among All Counties	Share of Statewide Gross Regional Product
ESCAMBIA	12,359.5	1	15	1.59%
Alachua	9,219.8	5	19	1.19%
Lake	6,698.9	6	23	0.86%
Leon	11,459.1	2	16	1.48%
Manatee	10,490.7	3	17	1.35%
Okaloosa	9,873.9	4	18	1.27%
Osceola	6,364.2	8	25	0.82%
St. Lucie	6,513.7	7	24	0.84%
Statewide	776,152.6			100%

*Economic Contributions of Agriculture, Natural Resources and Related Industries in Florida Counties, University of Florida, IFAS Food & Resource Economics Departmen, October 20, 2010.*

LABOR FORCE AS A PERCENT OF TOTAL POPULATION				
	1990	2000	2010	2011*
ESCAMBIA	62.0%	58.8%	59.9%	59.6%
Alachua	66.3%	66.8%	64.6%	64.7%
Lake	54.9%	55.6%	58.5%	59.1%
Leon	76.0%	71.5%	67.0%	67.0%
Manatee	55.9%	58.9%	54.5%	54.0%
Okaloosa	62.2%	62.3%	68.6%	69.2%
Osceola	73.4%	70.9%	71.1%	69.7%
St. Lucie	62.9%	58.7%	58.2%	57.1%
Florida	64.3%	63.8%	62.3%	62.0%

\*Preliminary data.  
*County Profiles*, On-line at [edr.state.fl.us](http://edr.state.fl.us), Florida Legislature, Office of Economic and Demographic Research.

UNEMPLOYMENT RATE										
	1990	2000	2005	2008	2009	2010	2011	Variance From State Average		Change From 2000 to 2011
								2000	2011	(Percentage Points)
ESCAMBIA	5.9%	4.0%	3.8%	5.9%	9.6%	10.3%	10.1%	0.2	-0.4	6.1
Alachua	3.7%	3.0%	2.9%	4.2%	6.9%	7.9%	7.7%	-0.8	-2.8	4.7
Lake	8.3%	3.6%	3.7%	6.3%	10.8%	12.3%	11.2%	-0.2	0.7	7.6
Leon	3.3%	3.0%	3.1%	4.4%	6.8%	7.9%	8.0%	-0.8	-2.5	5.0
Manatee	4.0%	3.2%	3.4%	6.8%	11.2%	12.1%	10.8%	-0.6	0.3	7.6
Okaloosa	6.0%	3.7%	2.8%	4.5%	6.9%	7.9%	7.4%	-0.1	-3.1	3.7
Osceola	5.0%	3.3%	3.8%	6.2%	10.9%	12.4%	11.6%	-0.5	1.1	8.3
St. Lucie	13.2%	5.7%	4.7%	8.5%	13.0%	13.9%	13.0%	1.9	2.5	7.3
Florida	6.3%	3.8%	3.8%	6.2%	10.2%	11.3%	10.5%			6.7

Florida Department of Economic Opportunity, Labor Market Statistics Center, Local Area Unemployment Statistics Program (on-line data).

TOTAL EMPLOYMENT								
	1990	2000	2005	2008	2009	2010	2011	Percent Change 2005 to 2011
ESCAMBIA	114,397	127,149	129,466	129,723	124,315	124,411	126,409	-2.4%
Alachua	90,594	112,700	119,035	125,647	121,540	120,403	120,631	1.3%
Lake	61,236	89,959	113,000	128,042	454,871	111,599	113,542	0.5%
Leon	109,506	130,726	132,377	140,620	137,858	137,612	137,899	4.2%
Manatee	91,647	119,326	138,559	134,169	126,726	122,851	124,855	-9.9%
Okaloosa	62,143	77,451	93,150	92,432	90,085	88,475	91,905	-1.3%
Osceola	56,041	86,639	111,167	129,323	124,019	118,797	120,866	8.7%
St. Lucie	62,956	82,438	106,714	113,554	107,801	107,321	108,959	2.1%
Florida	6,061,000	7,569,000	8,305,000	8,621,000	8,209,000	8,102,000	8,278,000	-0.3%

Florida Department of Economic Opportunity, Labor Market Statistics Center, Local Area Unemployment Statistics Program (on-line data).



TOTAL LABOR FORCE								Percent Change
	1990	2000	2005	2008	2009	2010	2011	2005 to 2011
ESCAMBIA	121,591	132,487	134,568	137,817	137,483	138,714	140,603	4.5%
Alachua	94,044	116,195	122,566	131,185	130,372	130,662	130,699	6.6%
Lake	66,773	93,300	117,375	136,630	136,267	127,182	127,861	8.9%
Leon	113,238	134,833	136,604	147,134	147,992	149,469	149,905	9.7%
Manatee	95,515	123,240	143,449	144,002	142,786	139,704	140,040	-2.4%
Okaloosa	66,109	80,410	95,801	96,801	96,813	96,038	99,218	3.6%
Osceola	59,000	89,582	115,507	137,871	139,210	135,544	136,698	18.3%
St. Lucie	72,522	87,455	112,008	124,147	123,927	124,666	125,291	11.9%
Florida	6,466,000	7,870,000	8,635,000	9,193,000	9,139,000	9,132,000	9,249,000	7.1%

Florida Department of Economic Opportunity, Labor Market Statistics Center, Local Area Unemployment Statistics Program (on-line data).

The following indicators can be used to help assess the extent there is an **Innovative Economy**:

PERCENTAGE OF TOTAL EMPLOYMENT BY INDUSTRY--2010						
	Natural Resources & Mining	Construction	Manufacturing	Trade, Transportation & Utilities	Information	Financial Activities
ESCAMBIA	0.2%	6.1%	4.0%	18.7%	1.7%	5.9%
Alachua	0.5%	3.4%	3.6%	14.9%	1.3%	5.1%
Lake	1.8%	7.5%	3.8%	22.1%	1.6%	3.9%
Leon	0.1%	3.5%	1.4%	13.3%	2.0%	4.6%
Manatee	5.2%	5.8%	7.7%	18.7%	1.0%	4.4%
Okaloosa	0.1%	5.0%	4.9%	17.7%	1.6%	6.2%
Osceola	0.4%	5.1%	1.8%	20.4%	0.7%	6.0%
St. Lucie	3.9%	5.3%	3.1%	22.6%	0.9%	4.6%
Florida	1.2%	4.9%	4.3%	20.5%	1.9%	6.6%
	Professional & Business Services	Education & Health Services	Leisure and Hospitality	Other Services	Government	
ESCAMBIA						
Alachua						
Lake	11.7%	19.3%	11.3%	3.2%	17.9%	
Leon	8.3%	18.3%	11.1%	2.9%	30.6%	
Manatee	9.1%	18.9%	11.2%	3.1%	17.0%	
Okaloosa	11.5%	13.0%	10.5%	4.2%	36.0%	
Osceola	14.4%	14.8%	13.2%	3.3%	11.7%	
St. Lucie	13.7%	11.4%	15.5%	3.2%	20.7%	
Florida	7.7%	13.6%	25.7%	2.2%	16.4%	
	9.2%	15.9%	10.9%	3.1%	20.4%	
	14.7%	14.8%	12.9%	3.2%	15.0%	

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).

PROFESSIONAL SCIENTIFIC AND TECHNICAL SERVICES INDUSTRY						
	2005			2010		
	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)
ESCAMBIA	824	5,652	23,483	917	5,975	26,059
Alachua	818	5,349	19,863	927	5,715	22,894
Lake	601	3,064	12,350	651	2,223	7,522
Leon	1337	9,995	49,996	1440	9,949	54,454
Manatee	946	3,529	12,982	1098	3,416	15,004
Okaloosa	678	5,821	27,548	698	5,776	32,996
Osceola	459	1,843	5,396	519	1,616	5,507
St. Lucie	474	2,531	8,049	573	2,309	8,332
Florida	77,276	429,404	1,992,288	86,603	433,527	2,298,500

*Florida Statistical Abstract 2006*, University of Florida, pages 616-617.  
*Florida Statistical Abstract 2011*, University of Florida, pages 584-585.

NON-EMPLOYER BUSINESSES FOR SELECTED INDUSTRIES--2009

	NON-EMPLOYER BUSINESSES FOR SELECTED INDUSTRIES--2009																	
	Total All Industries			Construction			Wholesale Trade			Transportation and Warehousing			Retail Trade			Information		
	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer
ESCAMBIA	17,648	\$640,143	\$ 36,273	1,993	\$90,347	\$ 45,332	262	16,535	\$ 63,111	661	31,301	\$ 47,354	1,612	\$70,575	\$ 43,781	208	\$6,385	\$ 30,697
Alachua	15,244	\$563,633	\$ 36,974	1,096	\$62,737	\$ 57,242	186	13,230	\$ 71,129	375	16,945	\$ 45,187	1,088	\$46,431	\$ 42,676	283	\$13,912	\$ 49,159
Lake	19,818	\$691,682	\$ 34,902	2,550	\$116,725	\$ 45,775	330	24,659	\$ 74,724	1,023	56,591	\$ 55,319	1,860	\$65,778	\$ 35,365	234	\$6,874	\$ 29,376
Leon	17,590	\$649,809	\$ 36,942	1,485	\$74,335	\$ 50,057	192	11,084	\$ 57,729	398	19,658	\$ 49,392	1,175	\$38,667	\$ 32,908	340	\$10,850	\$ 31,912
Manatee	22,958	\$987,080	\$ 42,995	2,243	\$123,843	\$ 55,213	487	38,211	\$ 78,462	711	32,963	\$ 46,361	1,911	\$83,940	\$ 43,925	270	\$9,272	\$ 34,341
Okaloosa	12,855	\$559,431	\$ 43,519	1,483	\$80,678	\$ 54,402	170	13,291	\$ 78,182	390	17,985	\$ 46,115	1,031	\$42,350	\$ 41,077	118	\$3,438	\$ 29,136
Osceola	20,542	\$623,254	\$ 30,340	2,608	\$83,224	\$ 31,911	317	22,747	\$ 71,757	1,915	74,189	\$ 38,741	1,699	\$58,776	\$ 34,594	236	\$7,646	\$ 32,398
St. Lucie	19,428	\$643,186	\$ 33,106	2,229	\$97,526	\$ 43,753	350	29,926	\$ 85,503	1,045	48,156	\$ 46,082	1,488	\$59,547	\$ 40,018	197	\$4,946	\$ 25,107
Florida	1,603,533	\$62,678,008	\$ 39,087	157,972	\$6,810,264	\$ 43,111	33,937	2,937,730	\$ 86,564	85,008	3,692,377	\$ 43,436	120,892	\$4,946,968	\$ 40,921	20,079	\$701,187	\$ 34,921
	Real Estate and Rental and Leasing			Professional, Scientific, & Technical Services			Administrative and Support & Waste			Arts, Entertainment, and Recreation			Health Care and Social Assistance			Other Services		
	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer	Firms	Receipts (\$1,000)	Average Receipts Per Non-Employer
ESCAMBIA	1,678	\$94,328	\$ 56,215	1,861	66,976	\$ 35,989	2,000	35,358	\$ 17,679	957	20,617	\$ 21,543	1,371	43,117	\$ 31,449	3,229	84,353	\$ 26,124
Alachua	1,547	\$112,292	\$ 72,587	3,058	93,521	\$ 30,582	1,271	24,993	\$ 19,664	926	16,693	\$ 18,027	1,762	52,931	\$ 30,040	1,952	49,515	\$ 25,366
Lake	2,168	\$98,181	\$ 45,286	2,275	69,987	\$ 30,764	2,358	50,090	\$ 21,243	840	18,165	\$ 21,625	1,278	40,909	\$ 32,010	3,076	79,632	\$ 25,888
Leon	1,766	\$129,120	\$ 73,114	3,337	129,692	\$ 38,865	1,754	32,153	\$ 18,331	1,007	13,740	\$ 13,644	1,497	41,242	\$ 27,550	2,770	65,139	\$ 23,516
Manatee	2,861	\$189,857	\$ 66,360	3,170	131,302	\$ 41,420	2,538	58,706	\$ 23,131	1,144	29,446	\$ 25,740	1,578	58,435	\$ 37,031	3,633	98,953	\$ 27,237
Okaloosa	1,635	\$102,600	\$ 62,752	1,412	58,457	\$ 41,400	1,401	27,972	\$ 19,966	610	14,661	\$ 24,034	795	29,414	\$ 36,999	2,648	89,339	\$ 33,738
Osceola	1,997	\$106,994	\$ 53,577	1,675	45,292	\$ 27,040	2,937	53,554	\$ 18,234	742	19,637	\$ 26,465	1,605	29,784	\$ 18,557	3,266	70,567	\$ 21,607
St. Lucie	1,811	\$86,310	\$ 47,659	1,930	68,499	\$ 35,492	2,621	50,169	\$ 19,141	665	13,582	\$ 20,424	2,125	52,082	\$ 24,509	3,224	80,875	\$ 25,085
Florida	171,495	\$11,160,810	\$ 65,080	198,290	8,001,903	\$ 40,355	188,183	3,751,194	\$ 19,934	66,984	1,769,151	\$ 26,412	138,075	4,454,052	\$ 32,258	271,856	6,745,669	\$ 24,813

Note: Data on Non-Employers is available for 18 industries. This table shows figures for only a selected group of those industries.

**Terms:**  
**Nonemployer:** A nonemployer business is one that has no paid employees, has annual business receipts of \$1,000 or more (\$1 or more in the Construction industry), and is subject to federal income taxes. Nonemployer Statistics originate from tax return information of the Internal Revenue Service.

**Receipts:** Includes gross receipts, sales, commissions, and income from trades and businesses, as reported on annual business income tax returns. Business income consists of all payments received for services rendered. The composition of nonemployer receipts may differ from receipts data published for employer establishments. Nonemployer receipts may include commissions or earnings. In contrast, for employers the sales and receipts items published (for example, in the Economic Census) represents only the value of the goods involved in the transaction.

S.S. Bureau of the Census, EPD Nonemployer Statistics. On-line data (<http://censtats.census.gov/cgi-bin/nonemployer/nonsect.pl>).



The following indicators can be used to help assess the **Strength of Business Assets and Investments**:

EMPLOYMENT ESCAMBIA COUNTY VERSUS FLORIDA--2010			
Escambia County Industries Ranked by Share		Florida Industries Ranked by Share of	
19.3%	Education & Health Svcs	20.5%	Trade, Transprt, Utilities
18.7%	Trade, Transprt, Utilities	15.0%	Government
17.9%	Government	14.8%	Education & Health Svcs
11.7%	Prof & Bus Svcs	14.7%	Prof & Bus Svcs
11.3%	Leisure & Hospitality	12.9%	Leisure & Hospitality
6.1%	Construction	6.6%	Financial Activities
5.9%	Financial Activities	4.9%	Construction
4.0%	Manufacturing	4.3%	Manufacturing
3.2%	Other Services	3.2%	Other Services
1.7%	Information	1.9%	Information
0.2%	Nat Res & Mining	1.2%	Nat Res & Mining

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).

2009 EARNED INCOME BY INDUSTRY ( In Thousands of Dollars on a Place of Work Basis)										
	Total Private									
	Non-Farm Earnings	Forestry & Fishing	Mining	Utilities	Construction	Manufacturing	Wholesale Trade	Retail Trade	Transportation	Information
ESCAMBIA	5,147,066	8,352	7,515	30,127	439,600	330,659	301,673	504,926	182,293	137,653
Alachua	4,067,080	D	D	32,455	270,716	255,383	153,169	405,448	101,471	102,423
Lake	3,127,784	17,297	9,319	21,208	402,515	167,999	92,862	418,743	139,803	71,063
Leon	4,888,852	D	D	D	318,555	127,907	162,521	483,147	D	248,477
Manatee	5,265,277	D	D	23,136	400,669	557,789	263,805	537,788	72,115	90,850
Okaloosa	3,304,148	3,850	4,885	12,956	233,899	293,725	95,054	360,291	58,579	157,818
Osceola	2,547,164	D	D	7,827	162,407	77,404	126,692	336,060	64,028	47,267
St. Lucie	2,493,339	56,879	3,094	17,750	209,836	103,027	234,845	321,903	91,882	41,096
Florida	356,713,009	1,461,967	658,902	2,900,827	26,142,275	22,934,034	24,408,596	33,185,039	13,750,191	13,242,047
	Total Private									
	Finance & Insurance	Real Estate	Professional Services	Management	Administrative Services	Educational Services	Healthcare	Leisure & Entertainment	Accommodation & Restaurants	Other Services
ESCAMBIA	364,069	98,070	486,280	98,813	309,122	72,915	1,192,901	42,429	242,183	297,486
Alachua	280,438	91,494	419,675	22,194	132,206	59,945	1,216,152	76,129	216,413	218,112
Lake	113,249	75,216	156,861	12,777	201,272	56,433	749,691	28,494	166,135	226,847
Leon	429,685	87,556	958,305	38,960	208,125	61,115	1,008,680	27,289	240,238	416,134
Manatee	171,133	119,805	689,285	196,439	572,324	67,195	775,342	134,116	229,100	298,099
Okaloosa	179,837	170,003	571,820	26,884	229,219	30,508	416,405	27,594	237,211	193,610
Osceola	73,641	130,097	95,755	4,772	162,515	26,672	466,869	272,259	323,533	157,100
St. Lucie	123,245	46,941	172,559	5,365	129,541	20,486	510,451	94,387	112,026	198,026
Florida	27,668,145	10,173,967	40,104,079	8,321,596	23,411,675	6,268,181	55,320,217	9,417,775	18,887,907	18,455,589

Florida Statistical Abstract 2011, University of Florida, pages 213-220.

**ESCAMBIA COUNTY INDUSTRIES RANKED  
BY AVERAGE ANNUAL WAGE--2010**

**Escambia County Industries**

\$52,921	Manufacturing
\$49,447	Information
\$44,706	Financial Activities
\$43,088	Education & Health Services
\$41,939	Government
\$38,925	Prof & Bus Services
\$36,719	AVERAGE All Services
\$36,564	Construction
\$35,504	Nat Res & Mining
\$31,755	Trade, Transport, Utilities
\$25,910	Other Services
\$14,874	Leisure & Hospitality

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).

AVERAGE ANNUAL WAGE BY INDUSTRY--2010												
	All Industries	Natural Resources & Mining	Construction	Manufacturing	Trade, Transportation & Utilities	Information	Financial Activities	Professional & Business Services	Education & Health Services	Leisure and Hospitality	Other Services	Government
ESCAMBIA	\$36,719	\$35,504	\$36,564	\$52,921	\$31,755	\$49,447	\$44,706	\$38,925	\$43,088	\$14,874	\$25,910	\$41,939
Alachua	\$39,672	\$27,207	\$35,195	\$46,408	\$28,295	\$48,295	\$43,417	\$39,399	\$43,726	\$16,606	\$25,774	\$51,527
Lake	\$32,192	\$27,114	\$37,598	\$38,888	\$27,465	\$40,501	\$35,208	\$31,925	\$40,151	\$15,405	\$23,674	\$37,387
Leon	\$39,553	\$33,386	\$36,629	\$49,238	\$26,861	\$47,649	\$52,683	\$52,932	\$42,217	\$13,077	\$37,914	\$44,693
Manatee	\$35,965	\$18,127	\$39,670	\$49,818	\$31,078	\$49,634	\$42,906	\$39,639	\$40,898	\$19,894	\$27,730	\$46,641
Okaloosa	\$38,603	\$31,713	\$33,723	\$52,707	\$29,099	\$58,841	\$39,084	\$53,936	\$37,807	\$16,085	\$29,725	\$51,388
Osceola	\$33,066	\$28,403	\$36,976	\$39,504	\$25,341	\$50,538	\$39,581	\$28,080	\$42,057	\$24,620	\$28,353	\$45,299
St. Lucie	\$34,059	\$24,538	\$31,801	\$38,112	\$31,323	\$52,620	\$35,165	\$31,730	\$40,488	\$18,888	\$24,738	\$43,414
Florida	\$41,570	\$24,287	\$41,088	\$51,847	\$37,111	\$61,487	\$57,043	\$49,155	\$43,685	\$21,448	\$29,608	\$47,360

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).



New Privately Owned Housing Units Authorized (Building Permits)				
	2005		2010	
	Number	Construction Cost	Number	Construction Cost
ESCAMBIA	2,602	\$431,844,040	973	\$132,838,416
Alachua	2,293	\$241,496,483	454	\$58,430,084
Lake	6,769	\$940,117,890	552	\$142,335,575
Leon	3,231	\$370,152,414	434	\$61,231,068
Manatee	5,735	\$1,151,657,941	1,247	\$238,583,864
Okaloosa	3,720	\$745,170,343	547	\$122,078,823
Osceola	7,996	\$1,203,966,686	892	\$162,695,734
St. Lucie	8,776	\$1,175,738,322	293	\$32,642,136
Florida	287,250	\$46,802,753,000	38,679	\$7,823,544,000

U.S. Census Bureau, *Building Permits Survey* (On-line at <http://www.census.gov/construction/bps/>).

MANAGEMENT OF COMPANIES AND ENTERPRISES (HEADQUARTERS) INDUSTRY									
	2005			2010			Percent Change in Reporting Units 2005-2010	Percent Change in Employment 2005-2010	Percent Change in Total Payroll 2005-2010
	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)			
ESCAMBIA	28	1,054	5,821	34	573	2,679	21.4%	-45.6%	-54.0%
Alachua	14	156	738	21	253	1,589	50.0%	62.2%	115.3%
Lake	18	175	885	30	144	686	66.6%	-41.3%	-22.5%
Leon	27	471	2,515	37	420	1,978	37.0%	-12.1%	-21.4%
Manatee	66	2,722	8,535	76	2,681	11,373	15.1%	-1.5%	33.3%
Okaloosa	23	373	1,755	26	274	1,276	13.0%	-26.5%	-27.3%
Osceola	D	D	D	21	105	250			
St. Lucie	15	71	546	20	130	497	33.3%	83.1%	-9.0%
Florida	2,480	72,182	484,011	3,472	78,210	572,635	40.0%	8.4%	18.3%

D: Suppressed to avoid disclosure of confidential information  
 Florida Statistical Abstract 2006, University of Florida, pages 618.  
 Florida Statistical Abstract 2011, University of Florida, pages 586.

The following indicators can be used to help assess the **Extent of Personal Income and Strength of Resident Assets**:

INCOME AND POVERTY--2010					
	2010 Median Household Income	Percent Change From 2000	Number of Poor Persons	Percent Poor	
ESCAMBIA	\$ 41,428	20.6%	53,655	19.1%	
Alachua	\$ 40,656	24.2%	59,315	25.3%	
Lake	\$ 42,343	13.4%	39,711	13.5%	
Leon	\$ 42,393	9.3%	68,765	26.3%	
Manatee	\$ 44,900	16.2%	46,119	14.5%	
Okaloosa	\$ 51,173	22.7%	21,792	12.4%	
Osceola	\$ 42,165	10.1%	43,365	16.3%	
St. Lucie	\$ 39,378	8.9%	48,578	17.6%	
Florida	\$ 44,390	14.5%	3,048,621	16.5%	

*Florida Statistical Abstract 2011, University of Florida, pages 225-226.*

PER CAPITA PERSONAL INCOME								
	2000		2005		2009		County as a Percent of State Average in 2000	County as a Percent of State Average in 2009
					Percent Change 2000 to 2009			
ESCAMBIA	\$ 23,685	\$ 29,242	\$ 34,133		44.1%	81.4%		87.6%
Alachua	\$ 24,653	\$ 31,469	\$ 35,573		44.3%	84.8%		91.3%
Lake	\$ 26,067	\$ 29,426	\$ 30,785		18.1%	89.6%		79.0%
Leon	\$ 26,679	\$ 32,970	\$ 36,148		35.5%	91.7%		92.8%
Manatee	\$ 31,202	\$ 38,094	\$ 39,650		27.1%	107.3%		101.8%
Okaloosa	\$ 27,500	\$ 36,317	\$ 42,007		52.8%	94.6%		107.8%
Osceola	\$ 20,735	\$ 23,327	\$ 25,180		21.4%	71.3%		64.6%
St. Lucie	\$ 22,684	\$ 27,753	\$ 29,526		30.2%	78.0%		75.8%
Florida	\$ 29,080	\$ 35,605	\$ 38,965		34.0%			

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).

PERSONAL BANKRUPTCY FILING RATES (PER THOUSAND POPULATION)**			
	2000	2010	2010 Rank in State
ESCAMBIA	4.44	3.73	35
Alachua	2.32	1.95	57
Lake	3.68	7.58	2
Leon	2.44	2.64	49
Manatee	4.07	4.99	22
Okaloosa	3.93	3.55	37
Osceola	5.09	8.52	1
St. Lucie	4.98	6.23	12
Florida	3.73	5.62	

\*\* Florida data excludes figures for Miami-Dade County, which is classified in a different federal district.  
 The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).

HOUSING CHARACTERISTICS				
	Percent of Homes Which Are Owner-Occupied		Percent of Homes Which Are Vacant	
	2000	2010	2000	2010
ESCAMBIA	59.9%	55.2%	10.9%	14.9%
Alachua	50.6%	48.6%	8.0%	10.8%
Lake	70.1%	64.0%	14.0%	16.4%
Leon	52.9%	48.7%	7.2%	10.6%
Manatee	60.0%	56.1%	18.6%	20.8%
Okaloosa	56.0%	50.0%	15.7%	21.7%
Osceola	57.1%	45.7%	15.6%	29.3%
St. Lucie	65.8%	58.9%	15.7%	20.8%
Florida	60.8%	55.6%	13.2%	17.4%

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).

PER CAPITA FEDERAL DIRECT EXPENDITURES IN FLORIDA COUNTIES												
FY 2000							FY 2010					
	Retirement & Disability	Other Direct Payments	Grants*	Procurement	Salaries & Wages	Total Federal Funds*	Retirement & Disability	Other Direct Payments	Grants*	Procurement	Salaries & Wages	Total Federal Funds*
ESCAMBIA	\$3,142	\$1,075	\$876	\$436	\$2,009	\$7,539	\$4,746	\$2,975	\$1,511	\$2,139	\$1,529	\$12,900
Alachua	\$1,797	\$1,029	\$1,443	\$158	\$681	\$5,109	\$2,781	\$2,489	\$2,754	\$708	\$901	\$9,633
Lake	\$3,885	\$1,433	\$289	\$136	\$127	\$5,869	\$6,588	\$2,410	\$528	\$105	\$196	\$9,826
Leon	\$1,676	\$989	\$9,003	\$145	\$418	\$12,231	\$2,463	\$2,231	\$24,612	\$232	\$680	\$30,218
Manatee	\$2,757	\$1,229	\$299	\$68	\$240	\$4,593	\$3,659	\$2,457	\$591	\$716	\$309	\$7,732
Okaloosa	\$4,008	\$754	\$380	\$3,038	\$4,396	\$12,572	\$5,648	\$1,910	\$850	\$7,868	\$4,805	\$21,082
Osceola	\$1,690	\$824	\$196	\$121	\$92	\$2,924	\$2,859	\$1,294	\$303	\$50	\$122	\$4,628
St. Lucie	\$3,213	\$1,407	\$424	\$46	\$152	\$5,243	\$3,995	\$2,426	\$553	\$51	\$212	\$7,237
Florida	\$2,481	\$1,317	\$732	\$538	\$519	\$5,577	\$3,424	\$3,368	\$1,493	\$956	\$690	\$9,930
FEDERAL DIRECT EXPENDITURES IN FLORIDA COUNTIES BY CATEGORY AS A PERCENT OF TOTAL DIRECT EXPENDITURES												
FY 2000							FY 2010					
	Retirement & Disability	Other Direct Payments*	Grants**	Procurement	Salaries & Wages	Total Federal Funds**	Retirement & Disability	Other Direct Payments*	Grants**	Procurement	Salaries & Wages	Total Federal Funds**
ESCAMBIA	41.7%	14.3%	11.6%	5.8%	26.7%	\$2,219,647,000	36.8%	23.1%	11.7%	16.6%	11.9%	\$3,839,153,000
Alachua	35.2%	20.1%	28.2%	3.1%	13.3%	\$1,113,523,000	28.9%	25.8%	28.6%	7.4%	9.4%	\$2,382,537,000
Lake	66.2%	24.4%	4.9%	2.3%	2.2%	\$1,235,659,000	67.0%	24.5%	5.4%	1.1%	2.0%	\$2,918,891,000
Leon	13.7%	8.1%	73.6% **	1.2%	3.4%	\$2,928,697,000	8.2%	7.4%	81.4%**	0.8%	2.2%	\$8,324,579,000
Manatee	60.0%	26.7%	6.5%	1.5%	5.2%	\$1,212,668,000	47.3%	31.8%	7.6%	9.3%	4.0%	\$2,496,171,000
Okaloosa	31.9%	6.0%	3.0%	24.2%	35.0%	\$2,143,508,000	26.8%	9.1%	4.0%	37.3%	22.8%	\$3,812,108,000
Osceola	57.4%	28.2%	6.7%	4.1%	3.1%	\$504,291,000	61.8%	28.0%	6.5%	1.1%	2.5%	\$1,243,455,000
St. Lucie	61.3%	26.8%	8.1%	0.9%	2.9%	\$1,010,204,000	55.2%	33.5%	7.6%	0.7%	2.9%	\$2,010,248,000
Florida	42.8%	26.0%	13.1%	9.3%	8.8%	\$92,776,373,000	34.5%	33.9%	15.0%	9.6%	6.9%	\$186,703,775,000

\* *Other Direct Payments* includes both direct payments for individuals, other than for retirement and disability, and direct payments other than for individuals. Programs such as unemployment compensation, food stamps, housing assistance, Medicare, federal employee workers' compensation, life and health employer premiums, crop and flood insurance, etc. are included in this category.

\*\*The *Grants* category includes both formula grants and program grant funding. The allocation of the *Grants* category is based on the location of the initial recipient. A significant portion of those grant funds credited to Leon County are actually direct payments to The State of Florida and are subsequently distributed to locations throughout the state, such as "pass-through" grants to local governments or highway construction funds, etc. Actual funds expended directly in Leon County is a much smaller amount than shown due to this allocation method and the actual percent shares of the other categories shown for Leon County are overshadowed by the *Grants* category as a result.

*Review of Federal Expenditures to Florida in Fiscal Year 1999-2000*, Florida Legislative Committee on Intergovernmental Relations, September 2001. (<http://edr.state.fl.us/Content/local-government/reports/fedfunds00.pdf>)

*Review of Federal Funding to Florida in Fiscal Year 2010*, The Florida Legislature's Office of Economic and Demographic Research, February 2012. (<http://edr.state.fl.us/Content/local-government/reports/fedfunds10.pdf>)

The following indicators can be used to help assess the **Strength of Human Capital**:

"PRIME WORKING AGE" POPULATION--2010				
	"Prime Working Age" Population	"Prime Working Age" Population As A Percent of Total	Counties Ranked by Total "Prime Working Age Population"	
ESCAMBIA	190,536	64.0%	1	Leon
Alachua	176,424	71.3%	2	Escambia
Lake	163,486	55.0%	3	Manatee
Leon	195,534	70.0%	4	Alachua
Manatee	181,441	56.2%	5	Osceola
Okaloosa	115,216	63.7%	6	Lake
Osceola	168,613	62.8%	7	St. Lucie
St. Lucie	160,403	57.7%	8	Okaloosa
Florida	916,148	61.4%		

"Prime Working Age" population is the population aged 18 through 64.  
*Florida Statistical Abstract 2011*, University of Florida, pages 25-26, 33.

POPULATION BY AGE GROUP--2010								
	Total Population	0-17	18-34	35-54	55-64	65-79	30 and Over	Median Age
ESCAMBIA	297,619	64,154	76,669	77,206	36,661	31,581	11,348	37.6
Alachua	247,336	44,285	94,275	54,978	27,171	19,169	7,458	30.1
Lake	297,052	61,741	48,817	75,057	39,612	53,214	18,611	45.6
Leon	275,487	53,973	101,851	63,953	29,730	18,962	7,018	29.6
Manatee	322,833	66,283	55,586	80,775	45,080	53,618	21,491	45.7
Okaloosa	180,822	40,388	43,390	50,423	21,403	19,398	5,820	38.3
Osceola	268,685	70,416	61,517	78,360	28,736	22,908	6,748	35.6
St. Lucie	277,789	62,008	51,577	73,882	34,944	40,530	14,848	42.4
Florida	18,801,310	4,002,091	4,029,202	5,172,747	2,337,668	2,343,454	916,148	40.7

"Prime Working Age" population is the population aged 18 through 64.  
*Florida Statistical Abstract 2011*, University of Florida, pages 25-26, 33.

EDUCATIONAL ATTAINMENT (PERSONS AGE 25 AND OLDER)		
	Percent High School Graduate or Higher	Percent Bachelor's Degree or Higher
ESCAMBIA	86.7%	23.4%
Alachua	89.7%	40.9%
Lake	86.9%	20.3%
Leon	90.6%	41.3%
Manatee	86.9%	25.6%
Okaloosa	90.7%	26.8%
Osceola	84.4%	18.3%
St. Lucie	83.4%	17.8%
Florida	85.3%	25.9%

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us).

	TOTAL POPULATION								Rank in State	Percent Change 2000 to 2010	2011*	Percent Change 2010 to 2011*
	1990	2000	2005	2007	2008	2009	2010					
ESCAMBIA	262,445	294,410	296,785	300,184	299,993	298,845	297,619	18	1.1	299,261	0.6%	
Alachua	181,596	217,955	232,684	241,462	244,106	246,074	247,336	23	13.5	247,337	0.0%	
Lake	152,104	210,527	263,930	288,419	292,154	294,456	297,052	19	41.1	298,265	0.4%	
Leon	192,493	239,452	263,900	270,544	273,155	274,241	275,487	21	15.0	276,278	0.3%	
Manatee	211,707	264,002	303,729	317,899	319,970	321,035	322,823	16	22.3	325,905	1.0%	
Okaloosa	143,777	170,498	183,192	182,760	181,880	181,281	180,822	26	6.1	181,679	0.5%	
Osceola	107,728	172,493	227,055	251,598	260,071	264,768	268,685	22	55.8	273,867	1.9%	
St. Lucie	150,171	192,695	238,361	263,261	270,903	274,108	277,789	20	44.2	279,696	0.7%	
Florida	12,938,071	15,982,824	17,778,156	18,446,768	18,613,905	18,687,425	18,801,310		17.6	18,905,048	0.6%	

\* Estimated

Florida Statistical Abstract 2011, University of Florida, pages 5, 10-11, 12-13.

The Florida Legislature, Office of Economic and Demographic Research, On-line County Profiles, [edr.state.fl.us](http://edr.state.fl.us). (2011 only).

US Bureau of the Census, Intercensal Estimates of the Resident Population for Counties of Florida: April 1, 2000 to July 1, 2010 (CO-EST00INT-01-12), September 2011, and Table CO-EST2001-12-12 - Time Series of Florida Intercensal Population Estimates by County: April 1, 1990 to April 1, 2000, April 2002.

# Appendix C - Healthy Business Environment

We have compiled data for some aspects of a healthy business environment. The County could also collect data for many **Quality of Life** indicators. In this section, we have shown data relative to the cost of living, referred to as the Price Level Index. We have also compiled data relative to the **Diversity of Business** in the county (the Percent Total Employment by Industry and Minority Business Ownership) as well as **Support of Business Success** in the County.

PRICE LEVEL INDEX FOR COUNTIES				
	2000 FCRPI*	Rank in State	2008 FCRPI*	Rank in State
ESCAMBIA	93.22	45	89.93	31
Alachua	94.04	37	90.79	24
Lake	95.13	28	91.17	22
Leon	96.49	19	89.87	32
Manatee	96.93	16	96.71	9
Okaloosa	94.21	34	90.28	27
Osceola	95.81	25	90.84	23
St. Lucie	96.30	22	98.79	7
Florida	100.00		100.00	

FCRPI\* is the Florida County Retail Price Index. It reflects the price level in each county relative to a population-weighted statewide average (which equals 100) for a particular point in time (August of each year). It measures price level differences from place to place. The basis for these comparisons is a fixed standard of living which represents the consumption pattern of a typical wage earner or clerical worker. The index measures the relative cost of living by this standard in each county. In 2000, the index ranged from a low of 90.68 to a high of 108.53. In 2011 it ranged from 82.63 to 141.80.

*Florida Statistical Abstract 2001, University of Florida, pages 810-811.*

COMPARATIVE RELATIVE WAGE INDEX FOR COUNTIES--2008		
	FCWI*	Rank in State
ESCAMBIA	94.08	43
Alachua	96.76	32
Lake	97.45	26
Leon	94.07	44
Manatee	100.39	12
Okaloosa	95.46	37
Osceola	98.60	23
St. Lucie	99.09	20
Florida	100	

\*FCWI is the Florida County Wage Index. It measures the relative wages paid to the typical worker performing an identical job across Florida at a particular point in time. The counties are pegged against a statewide average which is shown as 100. It is an indicator of the difference in cost of labor that can be anticipated among Florida geographical areas.

*Florida Statistical Abstract 2011, University of Florida, page 812.*

MINORITY BUSINESS OWNERSHIP--2007							
	Total number of Firms	Percent Women-owned Firms	Percent Black-owned Firms	Percent Hispanic-owned Firms	Percent Asian-owned Firms	Percent American Indian- and Alaska Native-owned Firms	Percent Native Hawaiian and Other Pacific Islander-owned Firms
ESCAMBIA	24,187	30.60%	9.50%	2.40%	3.70%	S	0.10%
Alachua	20,676	31.60%	7.80%	6.70%	3.80%	S	S
Lake	26,755	27.50%	5.60%	8.70%	S	S	S
Leon	24,022	29.80%	15.00%	4.10%	3.10%	S	F
Manatee	29,906	27.90%	3.80%	7.50%	2.60%	S	F
Okaloosa	18,467	27.80%	S	4.10%	4.20%	0.40%	S
Osceola	24,646	29.00%	S	37.60%	5.40%	0.60%	S
St. Lucie	24,858	31.70%	12.80%	13.90%	2.40%	S	F
Florida	2,009,589	28.90%	9.00%	22.40%	3.20%	0.50%	0.10%

S: Suppressed; does not meet publication standards  
D: Suppressed to avoid disclosure of confidential information  
F: Fewer than 100 firms  
U.S. Census Bureau, *State and County QuickFacts* (On-line at <http://quickfacts.census.gov/qfd/states/12/12111.html>).



BIRTHS AND DEATHS OF ENTERPRISES IN ESCAMBIA COUNTY BETWEEN 2007 AND 2008												
NAICS DESCRIPTION	INITIAL YEAR		NET CHANGE		ESTABLISHMENT BIRTHS		ESTABLISHMENT DEATHS		ESTABLISHMENT EXPANSIONS		ESTABLISHMENT CONTRACTIONS	
	NUMBER OF ESTABLISHMENTS	EMPLOYMENT	CHANGE IN ESTABLISHMENTS	CHANGE IN EMPLOYMENT	NUMBER OF ESTABLISHMENTS	CHANGE IN ESTABLISHMENTS	NUMBER OF ESTABLISHMENTS	CHANGE IN EMPLOYMENTS	NUMBER OF ESTABLISHMENTS	CHANGE IN EMPLOYMENT	NUMBER OF ESTABLISHMENTS	CHANGE IN EMPLOYMENTS
Total	6,510	104,375	-164	-666	678	4,331	842	-5,871	1,538	9,761	1,871	-8,887
Agriculture, forestry, fishing and hunting	9	47	2	-5	3	0	1	0	1	0	4	0
Mining, quarrying, and oil and gas extraction	6	0	1	0	1	0	0	0	2	0	0	0
Utilities	24	0	1	0	1	0	0	0	3	0	3	0
Construction	718	8,069	-69	-663	84	474	153	-482	107	571	228	-1,226
Manufacturing	182	5,319	-3	-345	22	220	25	-199	42	191	64	-557
Wholesale trade	313	4,491	-3	-298	27	97	30	-249	69	278	90	-424
Retail trade	1,143	16,944	-34	-685	83	641	117	-743	296	1,060	389	-1,643
Transportation and warehousing	174	2,290	-9	62	17	73	26	-127	43	260	53	-144
Information	111	2,586	8	-255	19	46	11	-79	18	60	35	0
Finance and insurance	414	4,223	4	815	52	0	48	0	89	1,475	106	-289
Real estate and rental and leasing	350	1,655	-20	-140	52	0	72	-294	53	108	79	-191
Professional, scientific, and technical services	696	5,645	1	323	88	334	87	0	157	1,002	145	-582
Management of companies and enterprises	40	689	3	22	4	0	1	0	12	0	11	-40
Administrative & support/Waste management & remediation srvc	301	11,858	2	817	50	274	48	-566	78	1,565	76	-456
Educational services	72	3,373	-2	190	8	0	10	-42	27	0	16	-37
Health care and social assistance	714	18,424	-19	-35	43	456	62	-373	212	1,121	185	-1,239
Arts, entertainment, and recreation	75	1,398	5	-129	17	0	12	-35	20	84	25	-272
Accommodation and food services	501	11,124	-22	-213	49	746	71	-1,147	150	1,215	196	-1,027
Other services (except public administration)	663	4,859	-12	-70	54	180	66	-408	159	538	166	-380
Industries not classified	4	0	2	0	4	0	2	0	0	0	0	0

These dynamic data, which are created from the Business Information Tracking Series (BITS), consist of the number of establishments and corresponding employment change for births, deaths, expansions, and contractions.

Private businesses use the data for market research, strategic business planning, and managing sales territories. State and local governments, as well as, budget, economic development, and planning offices use the data to assess business changes, develop fiscal policies, and plan future policies and programs.

#### Noise Infusion for Non-Disclosure of Data

In accordance with U.S. Code, Title 13, Section 9, no data are published that would disclose the operations of an individual employer. Starting with 2007 data, the Statistics of U.S. Businesses has adopted the Noise Infusion method of data protection. For further information on confidentiality protection, sampling error, nonsampling error, and definitions, see <http://www.census.gov/econ/susb/methodology.html>

ECONOMIC DEVELOPMENT INCENTIVES PROVIDED BY COUNTIES TO BUSINESSES--FY 2010						
	Total Direct	Total Indirect	Total Fee & Tax Based	Total Below Market Lease or Deed	Total Incentives Provided	Percent of Total Incentives Provided by Reporting Counties
ESCAMBIA	\$500,000	\$1,049,219	\$3,916,704		\$5,465,923	6.5%
Alachua			\$23,917		\$23,917	<0.1%
Lake	\$149,000				\$149,000	0.2%
Leon					\$0	
Manatee	\$139,277	\$231,000			\$370,277	0.4%
Okaloosa				\$199,609	\$199,609	0.2%
Osceola	\$547,762				\$547,762	0.6%
St. Lucie	\$48,900	\$250,000	\$4,083,070		\$4,381,970	5.1%
<b>Total 38 Reporting Counties</b>	<b>\$29,675,804</b>	<b>\$40,450,510</b>	<b>\$12,774,649</b>	<b>\$1,541,679</b>	<b>\$84,442,642</b>	
NOTE: Data self-reported by counties in compliance with new reporting requirements mandated by the 2010 Legislature. See Chapter 2010-147, <i>Laws of Florida</i> .						
<b>Definitions:</b>						
Direct Incentives--monetary assistance provided directly to businesses by the local government or through an organization authorized by the local government, including grants, loans, equity investments, loan insurance /guarantees, and training subsidies.						
Indirect Incentives--grants or loans provided to businesses or community organizations that provide support to businesses or promote business investment or development.						
Fee-Based or Tax-Based Incentives--Tax or fee credits, refunds, exemptions, or property tax abatement or assessment reductions.						
Below Market Rate Leases or Deeds for Real Property--provided to businesses from the local government.						
<i>Economic Development Incentives Report</i> , Florida Legislature, Office of Economic and Demographic Research, On-line Reports, <a href="http://edr.state.fl.us">edr.state.fl.us</a> .						

ESCAMBIA COUNTY PARTICIPATION IN STATE INCENTIVE PROGRAMS--2000 THROUGH 2011												
Fiscal Year Project Approved	Program ID	Approval Date	County	Total State & Local Incentive Award (100%)	Local Incentive Award Only (20%)	New Jobs Projected	Existing Jobs from Application	NAICS	Industry Category	LFS Waiver	Projected New Capital Investment	Number of Projects
FY 1999-2000	OTI	6/8/2000	Escambia County	\$30,000.00	\$6,000.00	10	0	32222	Coated and Laminated Packaging Paper Manufacturing	No	\$ 1,911,225	1
FY 2000-2001	OTI	8/18/2000	Escambia County	\$525,000.00	\$105,000.00	175	0	7323	Credit Reporting Services*	No	\$ 750,000	1
	OTI	11/6/2000	Escambia County	\$804,000.00	\$160,800.00	201	0	3511	Industrial Mold Manufacturing	No	\$ 48,000,000	1
	OTI	3/1/2001	Escambia County	\$360,000.00	\$72,000.00	60	0	488190	Air Transportation Support Activities	No	\$ 630,000	1
FY 2001-2002	CLOSE	8/20/2001	Escambia County	\$375,000.00	NA	150	0	3511	Industrial Mold Manufacturing	No	\$ 33,000,000	1
	OTI	8/14/2001	Escambia County	\$480,000.00	\$96,000.00	150	0	3511		No	\$ 33,000,000	
FY 2002-2003	OTI	1/22/2003	Escambia County	\$1,437,000.00	\$287,400.00	479	0	7389	Business Services	No	\$ 12,700,000	1
FY 2003-2004	OTI	5/28/2004	Escambia County	\$65,000.00	\$13,000.00	13	0	551114	Corporate, Subsidiary, and Regional Managing Offices	No	\$ 300,000	1
FY 2004-2005	OTI	10/12/2004	Escambia County	\$660,000.00	\$132,000.00	220	0	56142	Telephone Call Centers	No	\$ 14,112,550	1
	CLOSE	3/18/2005	Escambia County	\$200,000.00	NA	220	0	56142		No	\$ 16,000,000	
	OTI	3/4/2005	Escambia County	\$90,000.00	\$18,000.00	15	291	327993	Fiberglass insulation products manufacturing	No	\$ -	1
	CLOSE	6/27/2005	Escambia County	\$2,000,000.00	NA	650	616	522130	Credit Unions	No	\$ 42,417,000	1
FY 2005-2006	OTI	9/27/2005	Escambia County	\$80,000.00	\$16,000.00	16	14	541613	Marketing Consulting Services	No	\$ 751,000	1
	OTI	11/21/2005	Escambia County	\$438,000.00	\$87,600.00	146	354	321991	Manufactured Buildings	No	\$ 37,000,000	1
	CLOSE	12/28/2005	Escambia County	\$367,200.00	NA	146	354	321991		No	\$ 37,000,000	
	OTI	2/15/2006	Escambia County	\$84,000.00	\$16,800.00	14	14	327	Nonmetallic Mineral Product Manufacturing	No	\$ -	1
FY 2006-2007	BFR	5/14/2007	Escambia County	\$500,000.00	\$0.00	200	0	452910	Warehouse Clubs and Supercenters	Yes	\$ 14,000,000	1
	OTI	6/20/2007	Escambia County	\$216,000.00	\$0.00	54	177	339111	Laboratory Apparatus and Furniture Manufacturing	Yes	\$ 26,000,000	1
FY 2007-2008												
FY 2008-2009	CLOSE	4/15/2009	Escambia County	\$1,000,000.00	NA	800	1,144	522130	Credit Unions	No	\$ 81,500,000	1
FY 2009-2010												
FY 2010-2011	OTI	10/28/2010	Escambia County	\$408,000.00	\$81,600.00	102	723	325211	Plastics Material and Resin Manufacturing	No	\$ 56,100,000	1
	CLOSE	11/17/2010	Escambia County	\$400,000.00	NA	102	723	325211		No	\$ 56,100,000	
	OTI	12/21/2010	Escambia County	\$120,000.00	\$24,000.00	40	76	332321	Metal Window and Door Manufacturing	No	\$ -	1

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ESCAMBIA COUNTY PARTICIPATION IN STATE INCENTIVE PROGRAMS--2000 THROUGH 2011												
FY 2011-2012	QTI	7/27/2011	Escambia County	\$600,000.00	\$120,000.00	100	0	424450	Confectionery Merchant Wholesalers	No	\$ 6,190,000	1
	QTI	11/30/2011	Escambia County	\$45,000.00	\$9,000.00	15	0	335315	Electrical Equipment Manufacturing	No	\$ 520,000	1
<b>Total of All Projects</b>				<b>\$11,284,200</b>	<b>\$1,269,200</b>	<b>3,460</b>	<b>3,409</b>				<b>\$377,769,226</b>	<b>19</b>
<b>Average cost per job created</b>				<b>\$3,261</b>	<b>\$360</b>							

**Table Notes:**

This table provides data regarding state incentive awards for economic development projects locating or expanding in Escambia County. *Projects which did not receive state incentives are not included in this list.* Also, while the list includes all projects approved for incentives, some of the projects shown may not have actually been implemented as anticipated and were terminated or failed to fulfill project job goals. Others may have exceeded the anticipated number of jobs. The State's incentive programs are performance based and require the company to fulfill specific performance criteria for creating jobs, paying high wages, and/or completing specified amounts of new capital investment. The company does not receive, or must repay, both State and Local incentive funding if it does not complete the required performance goals. The State Incentive Programs for which data are collected include the Quick Action Closing Fund (Close), the Qualified Target Industry Tax Refund (QTI), the Brownfield Bonus (BB), the Brownfield Redevelopment Grant (BFR), the High Impact Performance Incentive Grant (HIPI), the Innovation Incentive Fund (Innovation), and the Qualified Defense & Space Contractor Tax Refund (QDSC). Not all types of incentives were awarded for Escambia County projects during the period. Several of the State incentives programs require local financial participation in the amount of 20% of the total award. Under certain circumstances, such as the company locating in a brownfield redevelopment area, the local financial support may be waived, as is indicated in the "LFS Waived" column.

Economic Development projects may be eligible and approved for multiple incentive programs. The four projects which received more than one incentive award are indicated on the table by color coding. Jobs and new capital investment for these projects are included in the Escambia County totals only once for each project.

\*This project was originally classified as SIC 7323 Credit Reporting Services, note that this SIC category was combined into NAICS 561450 Credit Bureaus. The Office of Management and Budget's North American Industry Classification System (NAICS) is a system for classifying establishments (individual business locations) by type of economic activity in Canada, Mexico, and the United States. NAICS is used by Federal statistical agencies that collect or publish data by industry. It is also widely used by State and local agencies, trade associations, private businesses, and other organizations to describe business activities by industry type. Its predecessor system was the Standard Industrial Classification (SIC) system, which is still reflected in some older project descriptions although not in current usage.

Source: Department of Economic Opportunity, Division of Strategic Business Development, Report Run Date: 3/23/2012 12:19:10 PM.

## Appendix D - Contribution of Tourism and Armed Services Industry

TOURISM DEVELOPMENT TAX COLLECTIONS					
	2004-2005		2010-2011		Percent Change 2004-2005 to 2010-2011
	Amount (In \$1,000)	Percent Share of Total State Collections	Amount (In \$1,000)	Percent Share of Total State Collections	
ESCAMBIA	5,132	1.3%	5,589	1.1%	8.9%
Alachua	1,760	0.4%	3,338	0.6%	89.7%
Lake	2,056	0.5%	1,952	0.4%	-5.1%
Leon	2,905	0.7%	3,858	0.7%	32.8%
Manatee	4,381	1.1%	6,764	1.3%	54.4%
Okaloosa	7,952	2.0%	9,502	1.8%	19.5%
Osceola	32,480	8.0%	32,310	6.2%	-0.5%
St. Lucie	2,683	0.7%	2,322	0.4%	-13.5%
Florida	406,789		516,632		27.0%

*Florida Statistical Abstract 2006, University of Florida.*  
*Florida Statistical Abstract 2011, University of Florida.*

TAXABLE SALES REPORTED BY TRANSIENT RENTAL FACILITIES--FY 2005 THROUGH FY 2010*					
	FY 2005	FY 2008	FY 2009	FY2010	Percent Change
					FY 2005-FY 2010
ESCAMBIA	\$128,311,967	\$136,216,083	\$132,542,672	\$130,257,399	1.52%
Alachua	\$58,584,056	\$75,917,950	\$65,985,970	\$65,658,413	12.08%
Lake	\$51,389,328	\$58,514,303	\$49,197,218	\$47,547,280	-7.48%
Leon	\$81,079,561	\$85,372,427	\$76,790,239	\$71,710,039	-11.56%
Manatee	\$109,532,158	\$114,705,715	\$126,965,315	\$132,572,497	21.04%
Okaloosa	\$199,300,620	\$22,186,352	\$206,807,843	\$200,776,184	0.74%
Osceola	\$620,126,216	\$607,570,744	\$551,729,145	\$496,245,954	-19.98%
St. Lucie	\$53,014,715	\$50,558,016	\$42,399,920	\$38,958,110	-26.51%
Florida	\$10,227,830,971	\$11,640,653,151	\$10,284,278,290	\$10,041,925,899	-1.82%
Statewide Percent Change from Prior Year	11.8%	4.2%	-11.7%	-2.4%	

\*These data are based on the State of Florida fiscal year which runs from July through June of the following year.  
*2011 Local Government Financial Information Handbook, October 2011, page 238, Florida Legislature, Office of Economic and Demographic Research, On-line publications, edr.state.fl.us.*

LOCAL OPTION TOURIST TAX LEVIES WITH REALIZED AND UNREALIZED TAX REVENUES						
Tourist Development and Tourist Impact Tax Levies						
	Maximum Potential Tax Rate	2011 Tax Rate Levied	Countywide Realized Tax Revenues for FY 2011	Un-Utilized Authorized Tax Rate	Countywide Unrealized Tax Revenues for FY 2011	
ESCAMBIA	5%	4%	\$ 5,588,528	1%	\$1,397,132	
Alachua	5%	5%	\$ 3,338,234		\$0	
Lake	5%	4%	\$ 1,951,500	1%	\$487,875	
Leon	5%	5%	\$ 3,858,490		\$0	
Manatee	5%	5%	\$ 6,764,034		\$0	
Okaloosa	5%	5%	\$ 9,501,884		\$0	
Osceola	6%	6%	\$ 32,309,560		\$0	
St. Lucie	5%	5%	\$ 2,321,975		\$0	

*2011 Local Government Financial Information Handbook*, October 2011, page 242-243, Florida Legislature, Office of Economic and Demographic Research, On-line at: [edr.state.fl.us](http://edr.state.fl.us).

*Tax Receipts by Tax by County: SFY 1987-2011*, Local Option Tourist Development Taxes, Florida Legislature, Office of Economic and Demographic Research, On-line publications.

LOCAL OPTION TOURIST DEVELOPMENT TAX COLLECTIONS--STATE FISCAL YEARS ENDED JUNE 30, 2005 THROUGH 2011							
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
ESCAMBIA	\$ 5,132,479	\$ 4,523,809	\$ 4,760,098	\$ 5,448,643	\$ 5,301,707	\$ 5,457,305	\$ 5,588,528
Alachua	\$ 1,760,179	\$ 2,015,874	\$ 2,261,458	\$ 2,073,635	\$ 1,800,262	\$ 2,133,368	\$ 3,338,234
Lake	\$ 2,055,573	\$ 2,285,587	\$ 1,956,232	\$ 2,340,572	\$ 1,967,889	\$ 1,901,891	\$ 1,951,500
Leon	\$ 2,905,081	\$ 3,368,370	\$ 3,478,717	\$ 3,414,897	\$ 3,135,345	\$ 3,585,502	\$ 3,858,490
Manatee	\$ 4,381,286	\$ 4,760,435	\$ 5,015,264	\$ 5,142,405	\$ 4,970,581	\$ 6,348,266	\$ 6,764,034
Okaloosa	\$ 7,972,025	\$ 7,364,642	\$ 8,235,823	\$ 9,797,490	\$ 10,340,392	\$ 10,038,809	\$ 9,501,884
Osceola	\$ 32,479,855	\$ 33,006,865	\$ 33,220,921	\$ 36,454,246	\$ 29,706,219	\$ 29,774,757	\$ 32,309,560
St. Lucie	\$ 2,683,096	\$ 2,817,739	\$ 2,540,797	\$ 2,527,901	\$ 1,971,101	\$ 1,947,905	\$ 2,321,975
Florida	\$ 404,479,455	\$ 436,326,122	\$ 488,970,607	\$ 523,653,687	\$ 458,672,155	\$ 466,703,018	\$ 516,396,085
Change Statewide	15.8%	7.9%	12.1%	7.1%	-12.4%	1.8%	10.6%

**Table Notes:**

- 1) Data reflect local government tax receipts reported for the State of Florida fiscal year of July through June, not the local government fiscal year.
- 2) Tax receipts are reported as countywide totals and, in some counties, reflect the sum total of multiple local option tourist development tax levies.
- 3) Many counties self-administer these taxes. In those cases, tax receipts have been reported by the counties' Tax Collector.

Primary Data Source: Florida Department of Revenue, Office of Tax Research, Validated Tax Receipts, Form 3.

*Tax Receipts by Tax by County: SFY 1987-2011*, Local Option Tourist Development Taxes, Florida Legislature, Office of Economic and Demographic Research, On-line publications, (<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>).

TOURISM AND RECREATION RELATED BUSINESS RECEIPTS OR SALES--2002 AND 2007										
	2002				2007			Change in AE&R Receipts 2002-2007	Rank in Change in AE&R Receipts 2002-2007	
	Arts, Entertainment & Recreation Receipts				Arts, Entertainment & Recreation Receipts					
	Amount (\$1,000)	(In Total Receipts Statewide)	Percent Share of Total Receipts Statewide	Rank Among the Eight Comparable Counties	Amount (In \$1,000)	Percent Share of Total Receipts Statewide	Rank Among the Eight Comparable Counties			
ESCAMBIA	55,391		0.49%	4	70,159		0.46%	4	26.7%	5
Alachua	D		NA	NA	D		NA	NA	NA	NA
Lake	D		NA	NA	48,651		0.32%	7	NA	NA
Leon	66,552		0.59%	2	129,228		0.84%	2	94.2%	1
Manatee	61,250		0.54%	3	102,120		0.66%	3	66.7%	3
Okaloosa	50,950		0.45%	5	51,048		0.33%	6	3.0%	6
Osceola	436,757		3.86%	1	644,493		4.19%	1	47.6%	4
St. Lucie	36,465		0.32%	6	68,143		0.44%	5	86.9%	2
Florida	11,319,842		100%		15,380,980		100%		35.9%	
	2002				2007			Change in A&FS Receipts	Rank in Change in A&FS Receipts	
	Accommodation & Food Service Sales				Accommodation & Food Service Sales					
	Amount (\$1,000)	(In Total Sales)	Percent Share of Total Sales	Rank Among the Eight Comparable	Amount (In \$1,000)	Percent Share of Total Sales	Rank Among the Eight Comparable			
ESCAMBIA	392,107		1.34%	3	493,882		1.18%	4	26.0%	8
Alachua	326,772		1.12%	5	493,980		1.18%	3	35.1%	7
Lake	240,784		0.82%	7	436,028		1.04%	7	81.1%	1
Leon	393,582		1.34%	2	551,621		1.32%	2	40.2%	4
Manatee	297,414		1.02%	6	443,809		1.06%	6	49.2%	3
Okaloosa	357,413		1.22%	4	491,894		1.17%	5	37.6%	5
Osceola	654,999		2.24%	1	890,451		2.12%	1	35.9%	6
St. Lucie	170,144		0.58%	8	268,322		0.64%	8	57.7%	2
Florida	29,266,940		100%		41,922,059		100%		43.2%	

**Table Notes:**

D--Data withheld to avoid disclosure of information about individual firms.

2007 is the latest year available. These data are collected by the U.S. Bureau of the Census as part of its Economic Census series, surveys for which are done in years ending in 7 and 2.

*Florida Statistical Abstract 2011, University of Florida.*

TOURISM AND RECREATION RELATED BUSINESS ACTIVITY						
2005						
	ACCOMMODATION			AMUSEMENTS, GAMBLING, AND RECREATION		
	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)
ESCAMBIA	67	1,114	1,480	65	794	1,085
Alachua	80	1,182	1,509	43	866	868
Lake	D	D	D	53	742	928
Leon	68	1,381	1,613	39	841	835
Manatee	D	D	D	75	2,114	4,808
Okaloosa	59	1,192	1,794	72	949	1,117
Osceola	131	5,320	11,642	49	699	969
St. Lucie	34	651	845	43	496	725
Florida	4,122	156,873	320,460	4,653	134,831	273,124
2010						
	ACCOMMODATION			AMUSEMENTS, GAMBLING, AND RECREATION		
	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)
ESCAMBIA	73	1,412	1,871	73	976	1,246
Alachua	83	1,086	1,543	52	941	1,005
Lake	55	794	1,189	66	774	1,000
Leon	81	1,421	1,982	46	787	912
Manatee	72	815	1,486	119	2,175	3,573
Okaloosa	51	852	1,274	82	1,025	1,362
Osceola	136	4,654	10,599	D	D	D
St. Lucie	33	681	963	56	966	1,674
Florida	4,470	151,553	328,672	5,076	143,991	306,300

The Amusement, Gambling, and Recreation industries subsector is part of the Arts, Entertainment, and Recreation sector. Industries in the Amusement, Gambling, and Recreation Industries subsector (1) operate facilities where patrons can primarily engage in sports, recreation, amusement, or gambling activities and/or (2) provide other amusement and recreation services, such as supplying and servicing amusement devices in places of business operated by others; operating sports teams, clubs, or leagues engaged in playing games for recreational purposes; and guiding tours without using transportation equipment. The amusement, gambling, and recreation industries subsector consists of these industry groups: Amusement Parks and Arcades (NAICS 7131); Gambling Industries (NAICS 7132); and Other Amusement and Recreation Industries (NAICS 7139).

The Accommodation industry is part of Sector 72 - Accommodation and Food Services. Industries in the Accommodation subsector provide lodging or short-term accommodations for travelers, vacationers, and others. There is a wide range of establishments in these industries. Some provide lodging only; while others provide meals, laundry services, and recreational facilities, as well as lodging. Lodging establishments are classified in this subsector even if the provision of complementary services generates more revenue. The types of complementary services provided vary from establishment to establishment. The Accommodation subsector consists of these industry groups: Traveler Accommodation (NAICS 7211), including Hotels and Motels (except Casino Hotels), Casino Hotels, and Other Traveler Accommodation; RV (Recreational Vehicle) Parks and Recreational Camps (NAICS 7212); and Rooming and Boarding Houses (NAICS 7213).

*Florida Statistical Abstract 2006*, University of Florida, pages 650-651.  
*Florida Statistical Abstract 2011*, University of Florida, pages 613 and 615.



TOURISM AND RECREATION RELATED BUSINESS ACTIVITY							
	2005			2010			
	FOOD SERVICES AND DRINKING PLACES						
	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)	Number of Reporting Units	Number of Employees	Total Payroll (In \$1,000)	
ESCAMBIA	461	10,489	11,616	566	10,542	12,694	
Alachua	418	10,442	9,872	486	9,931	817,496	
Lake	328	6,034	6,451	430	7,035	8,686	
Leon	482	11,597	11,017	543	12,024	12,475	
Manatee	464	8,708	10,191	583	9,283	12,588	
Okaloosa	440	9,913	11,875	513	9,567	12,683	
Osceola	379	8,439	11,240	473	8,614	11,545	
St. Lucie	282	4,575	5,198	347	5,021	6,098	
Florida	29,984	559,404	687,850	35,166	585,062	817,496	

*Florida Statistical Abstract 2006*, University of Florida, pages 650-651.  
*Florida Statistical Abstract 2011*, University of Florida, page 614

EMPLOYMENT GENERATED BY NATURE-BASED RECREATION --2008		
	Full- and Part-Time Jobs	Rank Among the Eight Comparable Counties
ESCAMBIA	324	4
Alachua	66	8
Lake	299	5
Leon	172	7
Manatee	1,229	1
Okaloosa	295	6
Osceola	394	3
St. Lucie	494	2
Florida	37,383	

In this study Nature-Based industries included Hunting and Trapping, Golf Courses, and Recreational Fishing.

*Economic Contributions of Agriculture, Natural Resources and Related Industries in Florida Counties*, University of Florida, IFAS Food & Resource Economics Departmen, October 20, 2010.

MILITARY PERSONNEL NAS PENSACOLA											
2005		2006		2007		2008		2009		2010	
Total Personnel	Percent of County Population	Total Personnel	Percent of County Population	Total Personnel	Percent of County Population	Total Personnel	Percent of County Population	Total Personnel	Percent of County Population	Total Personnel	Percent of County Population
18,677	6.17%	21,140	6.92%	22,207	7.34%	21,711	7.17%	22,456	7.56%	22,991	7.72%

DEFENSE CONTRACTS BY COUNTY--2000-2009									
	Number of Defense Contractors	Rank by Number of Contractors	Number of Defense Contracts Awarded	Rank in Number of Contracts Awarded	Dollar Value of Defense Contracts Awarded	Rank Among All Counties in Value of Contracts	Value of Defense Contracts Per Capita	Average Value of Contracts Awarded Per Contractor	
ESCAMBIA	524	9	8,960	8	\$1,850,954,615	11	\$6,194	\$3,532,356	
Alachua	149	17	1,684	16	475,703,880	17	\$1,933	\$3,192,643	
Lake	69	27	475	29	\$33,770,771	34	\$115	\$489,431	
Leon	151	16	1,326	20	\$419,761,633	18	\$1,531	\$2,779,878	
Manatee	117	22	3,821	13	\$567,953,971	15	\$1,769	\$4,854,307	
Okaloosa	449	10	5,796	10	\$6,681,597,616	4	\$36,858	\$14,881,064	
Osceola	50	29	345	31	\$32,568,011	36	\$123	\$651,360	
St. Lucie	32	33	119	41	\$25,609,896	37	\$93	\$800,309	
Total All Counties	10,448		163,482		\$95,341,169,060		\$5,102		
NOTE: Rankings are among all 67 Florida counties.									
Source: <i>Florida Defense Industry Economic Impact Analysis</i> , Final Report, Haas Center for Business Research and Economic Development, University of West Florida, January 2011. Data contained in Appendix 3: Defense Spending by Region and County 2000-2009, page 68. (Original data source is Governmentcontractswon.com)									

# Appendix E - Quality of Life Indicators

## **GENERAL GOVERNMENT SERVICES**

**PURPOSE:** To provide fiscal responsibility in the support and facilitation of the delivery of public service

### **DESIRED RESULTS**

- Reasonable cost for public services
- Reasonable debt
- Citizen needs met

### **INDICATORS**

- General government expenditures per capita
  - administrative
  - staff
  - other
- Bond ratings
- Outstanding debt per capita
- Debt expenditures
- Cost of government operating facilities
- Number of government employees by type
- Median property tax burden
- Percent of residents that are registered voters\*
- Voter turnout rate\*
- Citizen feedback\*

## **PUBLIC SAFETY**

**PURPOSE:** To provide a safe and secure community through coordinated, efficient, effective, and professional public safety service

### **DESIRED RESULTS**

- Low crime rates
- Quality enforcement
- Rapid response
- Reasonable cost
- Reduced suffering
- Lives saved

### **INDICATORS**

- Crime per capita per 100,000\*
  - total
  - violent
  - non-violent
- Number of child abuse reports per 100,000 children (under 18)\*
- Number of domestic violence offenses per 100,000 female capita\*
- Number of arrests by category
- Percent of cases cleared
- Percent of arrests surviving judicial screening
- Average police call response time to emergency calls\*
- Average fire call response time\*
- Expenditures for law enforcement per capita
- Expenditures for public safety per capita

## **PHYSICAL ENVIRONMENT**

**PURPOSE:** To provide a safe, clean, and economic living environment for the citizens of the regions and for future generations

### **DESIRED RESULTS**

- Quality of natural Resources - air, water
- Resource efficiency
- Reasonable cost of environment
- Reasonable cost of utilities
- Preservation of natural/historical lands

**INDICATORS**

- Days the air quality index is good\*
- Streams meeting dissolved oxygen standards\*
- Streams meeting bacteria standards\*
- Tons per person of solid waste recycled\*
- Median cost per month per capita for electric, gas, water, garbage, sewage\*
- Government physical environment expenditures per capita
- Number of acres of preserved land per capita

**TRANSPORTATION**

**PURPOSE:** To provide a seamless and accessible transportation system that enhances mobility and expedites commerce and travel

**DESIRED RESULTS**

- Travel safety
- Extent of public transportation usage
- Quality public transportation
- Accessibility
- Reasonable transportation costs
- Transportation efficiency

**INDICATORS**

- Traffic accidents per capita per 1,000 residents\*
- Deaths from motor vehicle accidents per capita
- Number of modes by type
- Annual bus, rail, metro boarding per capita\*
- Average commute time - in town/rural
- Percent of buses, metros, trolleys on time
- Number of bus, rail, trolley service miles provided per year per capita\*
- Hours of transportation provided - bus, rail, trolley
- Number of direct connections to local airports
- Incoming/outgoing flights per 1,000 residents
- Annual cost per paved lane mile
- Transportation expenditure cost per capita

**ECONOMIC ENVIRONMENT**

**PURPOSE:** To improve the quality of life of the regions' citizens and businesses through improved economic status and opportunities

**DESIRED RESULTS**

- Strength of economy
- Wealth of citizens
- Housing affordability
- Job availability
- Efficient building

**INDICATORS**

- Median income
- Per capita income\*
- Unemployment rate\*
- Percent of population receiving housing assistance
- % workers living outside city/county

- % increase in jobs
- Jobs created per dollar invested by Economic development program
- Number of tourism visitors per Florida visitor\*
- Dollars spent on new construction
- Homeless individuals per 1,000 residents
- Environment expenditures per capita

**HUMAN SERVICES**

**PURPOSE:** To improve the quality of life through increased access to health care, housing, and social services

**DESIRED RESULTS**

- Prevention of diseases
- Promote individual health
- Low teen birth rate
- Sufficient health labor force
- Responsible cash management
- Quality health care
- Health care accessibility

**INDICATORS**

- Number of cases of vaccine preventable diseases per 100,000
- Infant mortality rate per 1,000 infants\*
- Obesity rate per 1,000 residents
- Communicable disease per 100,000 residents - by type\*
- Number of licensed physicians per 1,000 residents
- Percent of residents without health insurance\*
- Number of public health facilities - by type
- Human service expenditures per capita - by type
- Teen birth rate per 1,000 Teens (ages 10-18)
- Percent of unsatisfactory inspections of group care facilities - by type
- Hospital quality score

**CULTURE AND RECREATION**

**PURPOSE:** To develop and preserve outstanding cultural and recreational experiences and opportunities for residents and visitors

**DESIRED RESULTS**

- Extent of cultural and recreational
- Preservation and opportunities
- Citizen engagement

**INDICATORS**

- Park acres per 1,000 residents\*
- Number of events and performances open to the public each year\*
- Museum attendance per 1,000 residents\*
- Library circulation per capita\*
- Cost per circulation - by media type
- Culture and recreation expenditures by type (Library, park, other) per capita

\*A Jacksonville Community Council, Inc. (JCCI) Quality of Life Indicator

**Committee of the Whole**

**5.**

**Meeting Date:** 06/14/2012

**Issue:** Pensacola Bay Area Chamber of Commerce Annual Presentation

**From:** Charles R. (Randy) Oliver, County Administrator

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**Information**

**Recommendation:**

Pensacola Bay Area Chamber of Commerce Annual Presentation

(Jim Hizer - 30 min)

A. Board Discussion

B. Board Direction

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**Attachments**

Presentation

# **Committee of the Whole**

**Greater Pensacola Chamber**

**June 2012**

# **Vision 2015**

**Strategic Plan for creating 3,000 new  
jobs in five years**

116 total investors

\$8,684,000 Invested



# Armed Services

## Escambia County Economic Impact

Economic Impact - \$5.1 Billion

Uniformed Military/Federal – 22,000

Defense Industry Employment – 78,850

Capital Investment - \$1 Billion

Average Earnings per Military Job - \$77,000



# Armed Services

Spice Legislation

Planning Military Appreciation Month 2012

International Relations Program Growing

Washington DC Fly-In

# **Armed Services**

## **Strategic Health Intelligence**

Early Adopter for the Florida Health Information Exchange

Approved for Connectivity to the Nationwide Health  
Information Network

Showcased at the Health Information and Management  
Systems Society Annual Conference & Exhibition 2012

Held 5<sup>th</sup> Annual Strategic Health Intelligence Summit

Continues to Promote Pensacola as a Test Site

# **Armed Services**

## **State of Florida Defense Community Grants Awarded by OTTED**

**Infrastructure Grants: \$400,000**

1. Cyber Warfare Battle Lab Cooperative: \$200,000
2. Encroachment: \$200,000

# Armed Services

PENSACOLA • FL  
\*1911-2011\*  
**100**  
NAVAL AVIATION

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Aviation Week - May 2-8, 2011 **MORE**

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**PEN AIR**  
FEDERAL CREDIT UNION **MORE**

**Centennial News**

**Blue Angels Announce 2012 Show Schedule**

2012 schedule released with several shows commemorating the bicentennial of the War of 1812. **MORE**

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# **Economic Development**

## **Business Recruitment & Existing Business Successes**

Cronimet Corporation: 15 Jobs; \$2 Million Investment

Hixardt Technologies: 100 Jobs; \$4 Million Investment

Ascend Performance: 102 Jobs; \$56.1 Million Investment

Custom Control Solutions: 15 Jobs; \$520,000 Investment

Alto Products Corporation: 12 Jobs; \$500,000 Investment

Majestic Candies: 100 Jobs; \$6.19 Million Investment

# **Economic Development**

**455 New Jobs**

**\$69.3 Million Total Capital  
Investment**

# **Economic Development**

## **Business Recruitment & Retention**

17 Active Projects

182 Existing Business Visits

### **Site selection consultant missions**

Atlanta, GA - Two trips

Chicago, IL

Dallas, TX

New York, NY – Celebrity Chef Event

Pensacola, FL- Blue Angels Air Show Event to occur in July

Farnborough, London - Farnborough Air Show Event to occur in July



# **Economic Development**

## **Product Development**

Pensacola Technology Campus

**FAST TRACK**

Sites & Buildings Database

Regional Partnership Strategic Plan

# Economic Development

## Center for Innovation & Entrepreneurship

Renovation of 2<sup>nd</sup> Floor Completed

The Analyst Group: 8 new employees this year for a total of  
17 employees

Incubator program currently has 28 employees

-As of June 1<sup>st</sup>, there will be 4 new tenants in the CIE-

Total Companies as of June 1<sup>st</sup> - 8

Total Employees as of June 1<sup>st</sup> - 42

# Tourism

\$1.2 Billion Industry

18,000 Jobs

8,000 Hotel Rooms

2,000 Condos/Beach Homes

# Tourism

## Lodging

\$162.6 million revenue/\$6,502,664.32 bed tax

**+27.4% from \$127.6 million in 2010**

\$859.4 million revenue – four county area

**+26.4% from \$680 million in 2010**

58.3% hotel occupancy

**+3% from 56.9% in 2010**

\$101.48 average daily hotel rate

**+13% from \$89.54 in 2010**

# Tourism

## Web Advertising

Site Visitation: 452,182 in 2011-2012

**+43%**

Campaign Site Visitation: 33,652

**+303%**

Mobile Site Visitation:

**+234% - iPhone**

**+274% - Android**

**+396% - iPad**

# Tourism

## Public Relations

Ad Equivalency: \$6.1 million to-date  
**+\$2 million**

4 Out-of-Market Visit Florida Media Missions  
- Atlanta, Birmingham, Chicago, New York

Pensacola Celebrity Chefs and Viva Florida 500

Special Event in Cincinnati  
Double-Play Giveaway Contest

Snowbird Promotions

# Rebranding



GREATER  
**Pensacola**  
CHAMBER



*Congrats to Leadership Pensacola Class of 2012 on the USO ribbon cutting today! [#OperationHope](#)*

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[Economic Development](#)

# The Perfect Climate for Success.

University of West Florida  
School of Science & Engineering.

[Learn more about economic development. >](#)







**Thank You**

**Committee of the Whole**

**6.**

**Meeting Date:** 06/14/2012

**Issue:** Synopsis of Escambia County Mosquito Control

**From:** Keith Wilkins, REP, Department Director

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**Information**

**Recommendation:**

Synopsis of Escambia County Mosquito Control

(Keith Wilkins - 5 min)

A. Discussion

B. Board Direction

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**Attachments**

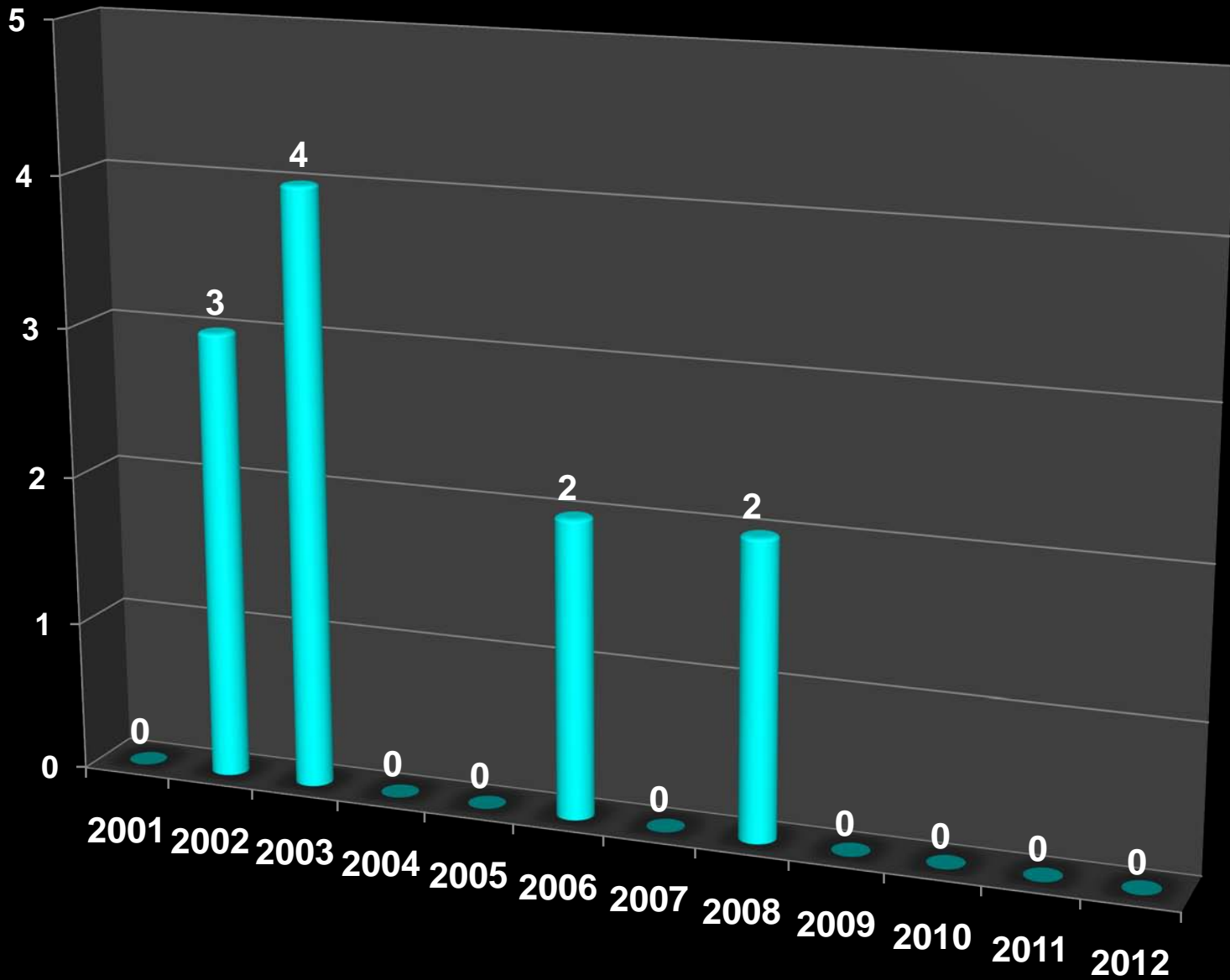
Presentation

# Synopsis of Escambia County Mosquito Control

Bob Betts, Division Manager  
Mosquito Control Division  
Community & Environment Department  
June 14, 2012



# Human Cases of West Nile Virus in Escambia County



# Vector Mosquitoes

Carry and Transmit Mosquito-borne Diseases:

- (WNV) West Nile Virus
- (SLE) St. Louis Encephalitis
- (EEE) Eastern Equine Encephalitis
- Susceptible birds infected, mosquitoes bite birds, mosquitoes infected, mosquitoes bite humans & animals, including more birds
- Humans & horses are “dead-end” hosts – cannot pass virus to others

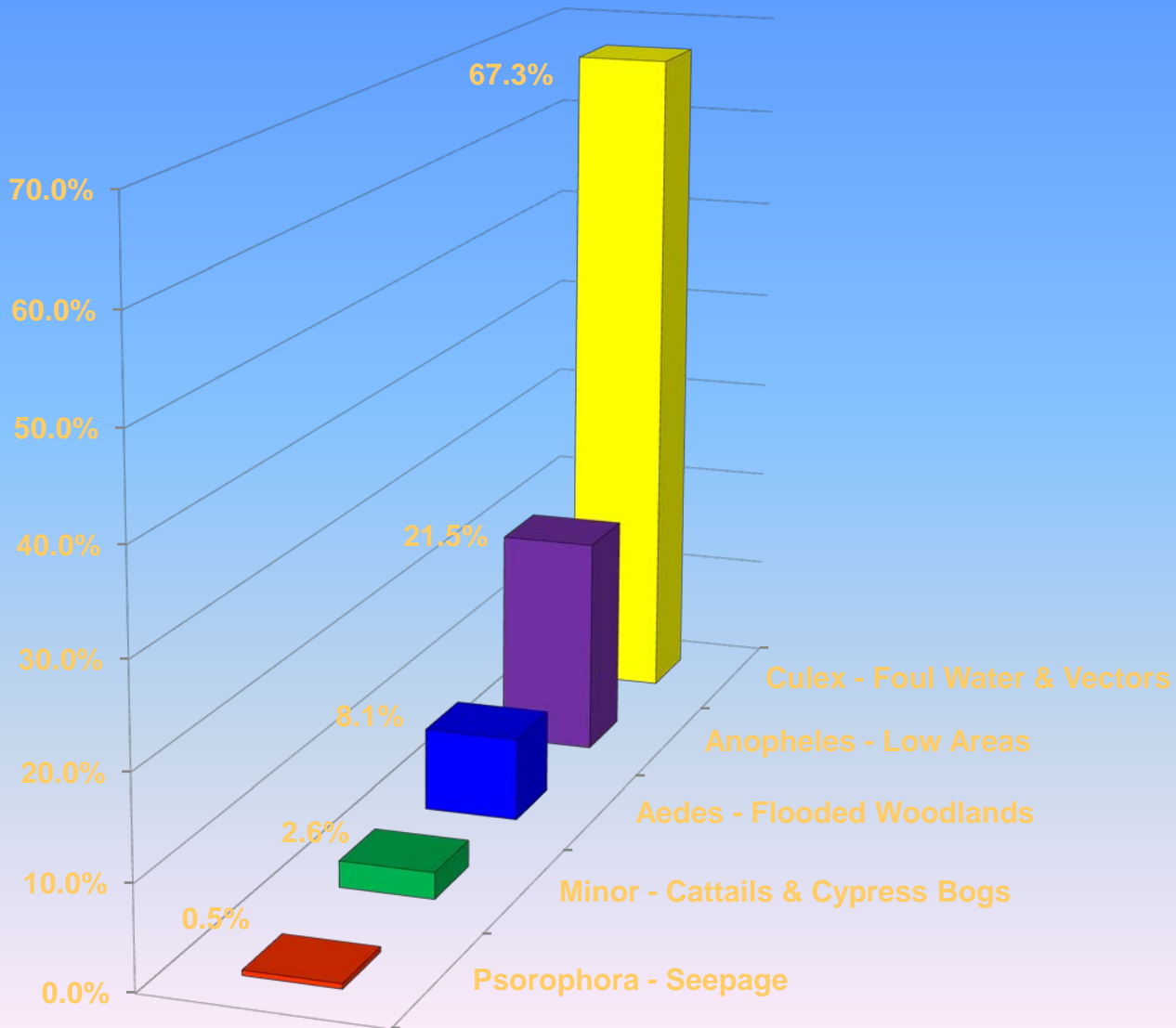
- Culex quinquefasciatus
- Common House Mosquito
- Birds & Mammals (Humans)
- Floodwater species – will enter dwellings



# Asian Tiger Mosquito

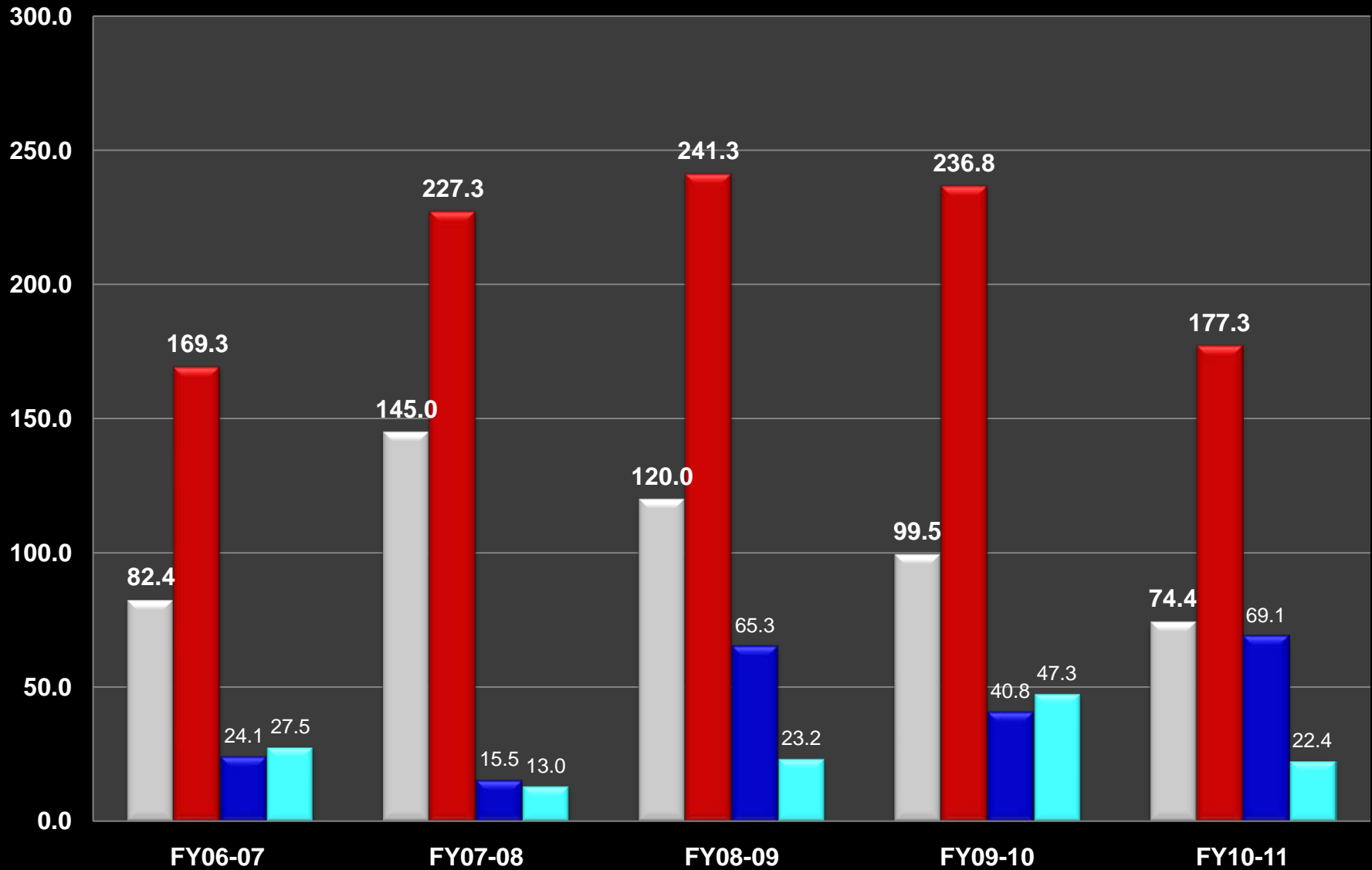


# APRIL 2012 - LIGHT TRAP SURVEILLANCE RESULTS (n = 4,003)



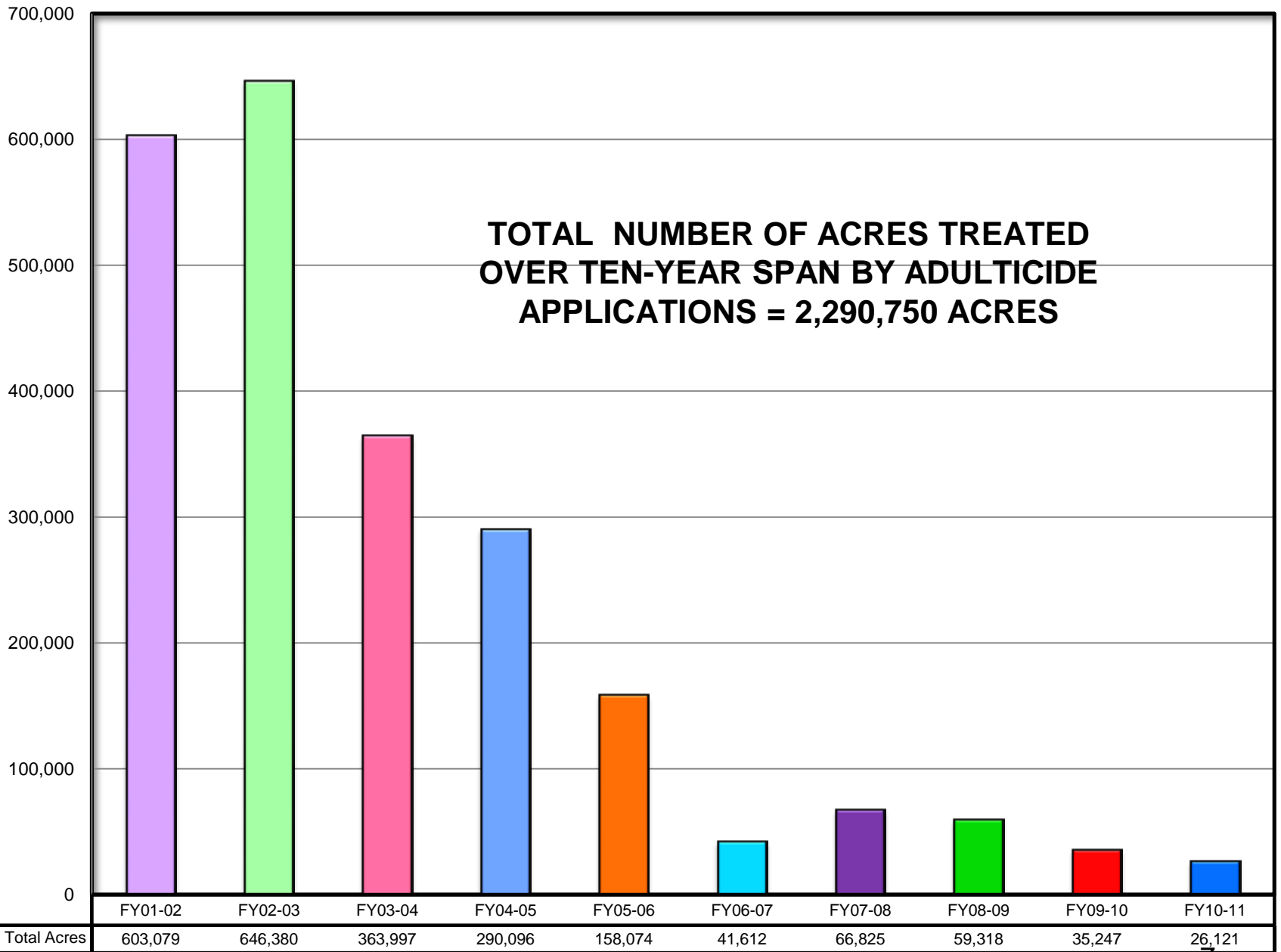
# 5 Year Mosquito Control Operational Data

■ Adulticide ■ Larvicide ■ CDC Light Trap ■ Fish Maint



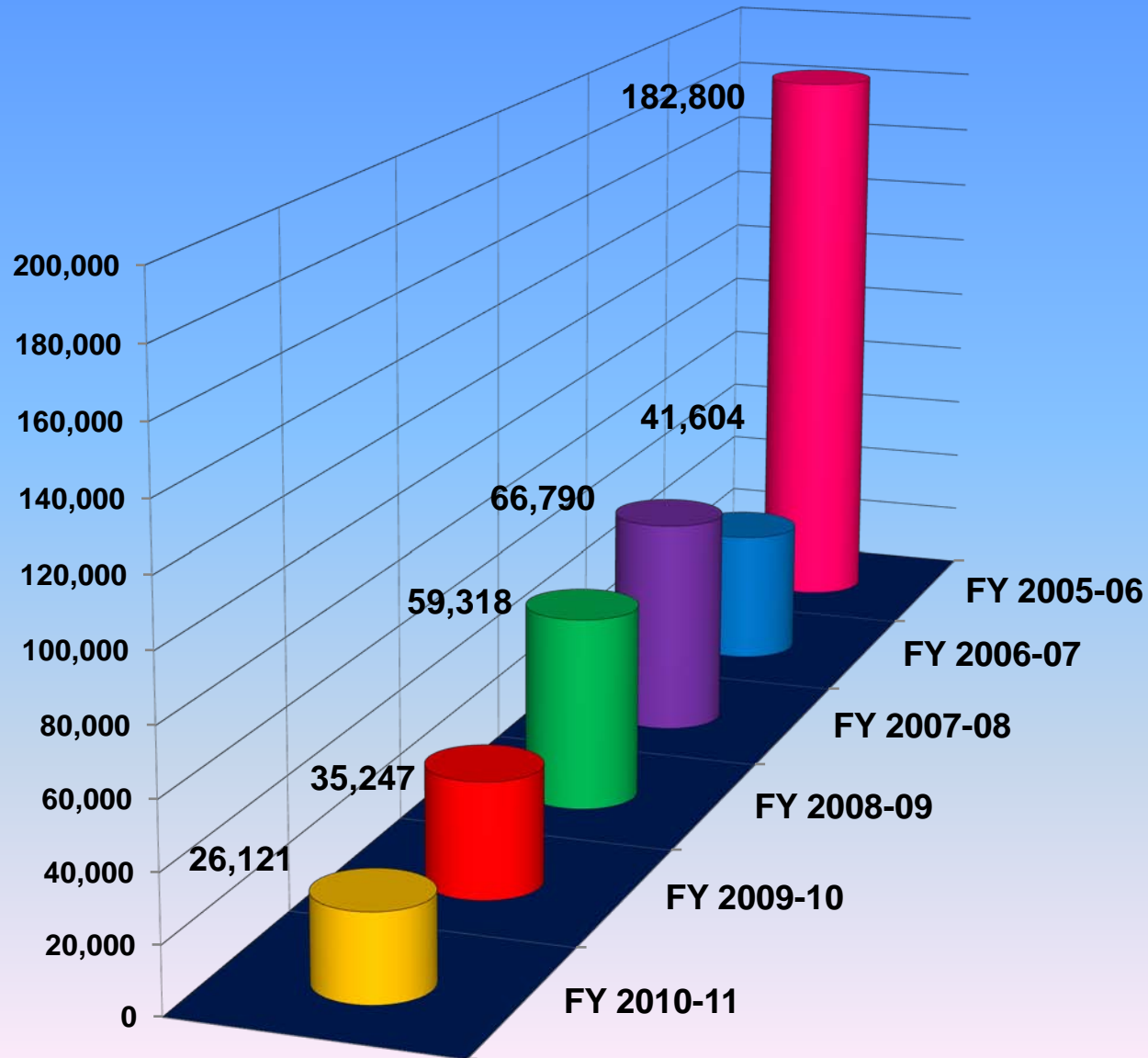


# Total Acres Annually Treated by Mosquito Control Adulticides

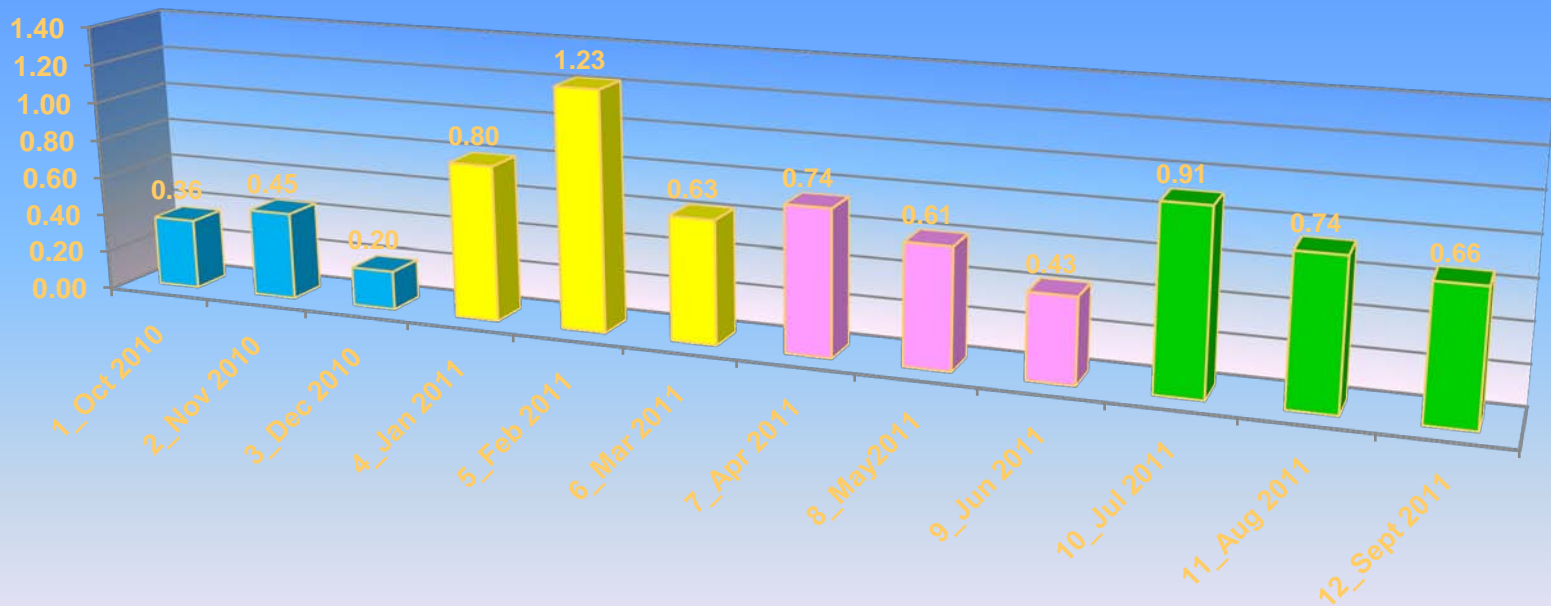


FY Total Acres	603,079	646,380	363,997	290,096	158,074	41,612	66,825	59,318	35,247	26,121
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# MINIMIZING ACRES OF APPLICATIONS - FOGGING (ULV) ADULTICIDES



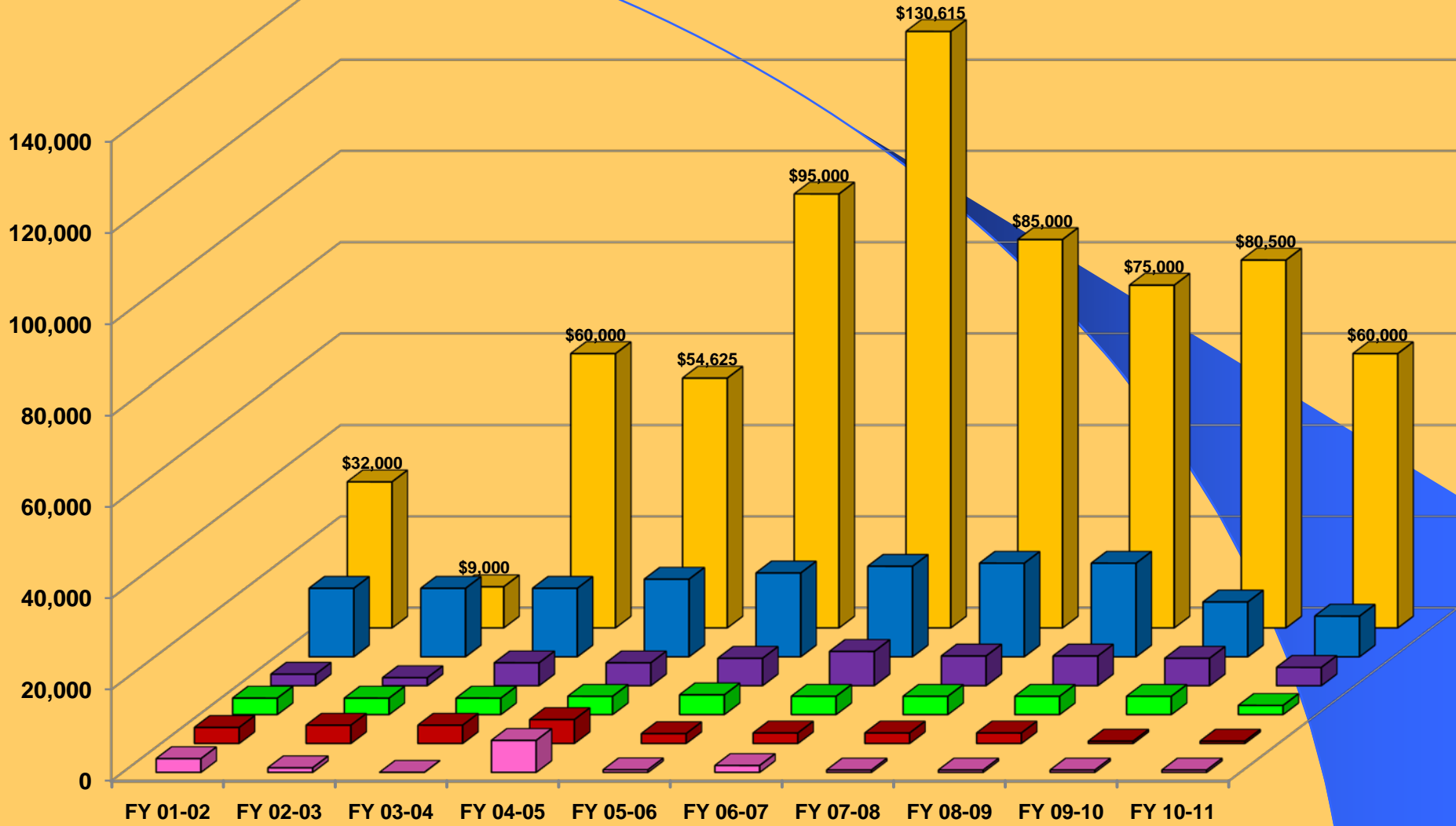
# Timeliness of Service Requests



Average Numbers of Work Days to Respond -  
Year-Long Average = 0.65 Days

# Ten Years of Escambia County General Funds

SUPPORTING MOSQUITO CONTROL  
OPERATING BUDGETS



- Travel & Per Diem
- Books, Pubs, & Subs
- Office Supplies
- Communications
- Repair & Maintenance Services
- Operating Supplies

# Forecasting 2012

- AERA – FL Medical Entomology Lab
- “Arboviral Epidemic Risk Assessment for Florida”
- Statewide areas primed for Eastern Equine Encephalitis epidemic transmission
  - Escambia County is in area of medium to high risk

**Committee of the Whole**

7.

**Meeting Date:** 06/14/2012

**Issue:** Fiscal Year 2012/2013 Budget Update

**From:** Amy Lovoy, Department Head

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**Information**

**Recommendation:**

Fiscal Year 2012/2013 Budget Update (NO BACKUP FOR DISCUSSION ONLY)

(Amy Lovoy - 60 min)

A. Board Discussion

B. Board Direction

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