South Indian River
Water Control District™

FINANCIAL STATEMENTS

September 30, 2023

South Indian River Water Control District

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South Indian River Water Control District

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INTRODUCTORY SECTION

South Indian River Water Control District

Board of Supervisors

September 30, 2023

Michael Howard	President
Tomas H. Powell	Vice President
John Meyer	Member
John Jones	Member
Susan Kennedy	Member

Manager of Operations

Michael Dillon
Jupiter, Florida

Counsel to the District

Terry E. Lewis
William G. Capko
Lewis, Longman & Walker, P.A.
West Palm Beach, Florida

Treasurer

Charles F. Haas
Certified Public Accountant
Palm Beach Gardens, Florida

District Engineer

Karin Brandon, PE
AECom, Inc.
Palm City, Florida

FINANCIAL SECTION

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
South Indian River Water Control District
Jupiter, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of South Indian River Water Control District, Jupiter, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. The prior year partial comparative information has been derived from the District's 2022 financial statements and, in our report dated June 23, 2023, we expressed unmodified opinions on the respective financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information (be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Grau & Associates

June 3, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of South Indian River Water Control District (the District) we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of South Indian River Water Control District for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented in this discussion and analysis in conjunction with the District's basic financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

Government-Wide

- At September 30, 2023, the assets of the District exceeded its liabilities by $21,292,571. Of this amount, $1,589,062 may be used to meet the District's ongoing operations.

- The District's net position increased by $427,925 primarily due to increases in assessment and grant revenue.

- The District's total revenues (on an accrual basis) were $4,696,159 for the year ended September 30, 2023, an increase of $482,914. The increase is primarily due to the increased assessments levied, charges for services and grant revenue.

- The total cost of all the District's programs was $4,268,234 an increase of $157,253. The increase was largely due to the cost of road maintenance services.

Governmental Funds

- At September 30, 2023, the District's governmental funds reported combined ending fund balances of $4,504,888 an increase of $323,926 from the prior year.

- At the end of the current fiscal year, the District's fund balances assigned for subsequent year operations totaled $2,290,159 or 51% of total fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. All information is presented utilizing the economic resources measurement focus and the accrual basis of accounting.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, an increase or decrease in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other factors should be considered, however, such as the condition of the District's capital assets (canals, culverts, buildings, etc.) to assess the overall health of the District.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The government-wide financial statements can be found on pages 9 – 11 of this report.

Under Governmental Accounting Standards Board (GASB) Statement No. 75 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, the District is required to report the cost of benefits to retired employees during the time of their employment and how those benefits will be funded. The State of Florida requires local governments to provide health care insurance to all retirees either funded by the government or by the retiree at the rate that all remaining employees are charged. The rate charged by insurance companies is blended rather than tiered by age. Thus, a retired employee is charged the same rate as a younger employee creating an implicit benefit. This benefit should be expensed, if material, and disclosed in the financial statement. At September 30, 2023, there was no net OPEB liability.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The District's funds can be divided into two categories: governmental funds and proprietary funds. The two kinds of funds use different accounting approaches. The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We reconcile the differences between government-wide activities (reported in the statement of net position and the statement of activities) and governmental funds on separate schedules following the respective governmental funds.

At September 30, 2023, the District maintained 17 individual governmental funds: 7 special revenue funds, 7 debt service funds, and 3 capital project funds. Some funds are required by state law. However, the District establishes other funds to help it control and manage money for particular purposes or to show that it is meeting its legal and fiduciary responsibilities. The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Accordingly, 7 major funds are reported individually in the governmental funds balance sheet and statement of revenues, expenditures and changes in fund balances. The remaining governmental funds are reported in these statements as a combined total.

The District uses an internal service fund, (a proprietary fund), to account for services provided to the other funds. Proprietary fund activities are reported in the same accounting basis and measurement focus as the statement of net position and the statement of activities.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 21 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, specifically, budgetary comparisons for the District's four major special revenue funds for which budgets are adopted. The District adopts annual budgets for the Special Revenue and Debt Service Funds pursuant to the requirements of Florida Statutes using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may

not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. More detailed information about the District's budgets is presented in the notes of the financial statements.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on budgetary comparisons. Combining fund statements for nonmajor funds can be found on pages 43 – 54 of this report.

The District as a Whole (Government-Wide)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of South Indian River Water Control District, assets exceeded liabilities by $21,292,571 at the close of the most recent year. The largest portion of the District's net position (76%) reflects its investments in capital assets (land, canals, levees, buildings, machinery, and equipment). The District uses capital assets to provide services to landowners; accordingly, these assets are not available for future spending. An additional portion of the District's net position (16%) represents resources that are subject to restrictions on how they may be used. These resources can be used only for debt service or future construction activities. The remaining unrestricted net position, $1,589,062 may be used to meet ongoing operations.

The following analysis highlights the net position as of September 30, 2023, and 2022:

	2023	2022	Increase (Decrease)	% Change
Current and other assets	$ 6,893,012	$ 6,323,637	$ 569,375	9%
Long-term receivables	8,683,288	10,667,962	(1,984,674)	-19%
Capital assets	16,835,317	16,712,817	122,500	1%
Total assets	32,411,617	33,704,416	(1,292,799)	-4%
Current liabilities	2,046,394	2,018,378	28,016	1%
Non-current debt	8,797,445	10,519,689	(1,722,244)	-16%
Total liabilities	10,843,839	12,538,067	(1,694,228)	-14%
Deferred inflows of resources				
Lease related	275,207	301,703	(26,496)	100%
Net position:				
Net Investment in capital assets	16,247,048	14,824,879	1,422,169	10%
Restricted for:				
Capital projects	90,782	-	90,782	100%
Debt service	3,365,679	4,732,179	(1,366,500)	-29%
Unrestricted	1,589,062	1,307,588	281,474	22%
Total net position	$ 21,292,571	$ 20,864,646	$ 427,925	2%

The following analysis highlights the changes in net position for the years ended September 30, 2023 and 2022:

	2023	2022	Increase (Decrease)	% Change
Revenues:				
Program revenues:				
Assessments	$ 4,073,495	$ 3,871,743	$ 201,752	5%
Charges for services	313,987	259,310	54,677	21%
Grant Income	288,850	64,800	224,050	100%
Restricted investment income	19,827	17,392	2,435	14%
Total revenues	4,696,159	4,213,245	482,914	11%
Program expenses including direct expenses:				
Water control	1,949,904	1,920,629	29,275	2%
Road maintenance	1,815,137	1,598,014	217,123	14%
Recreation	33,803	41,066	(7,263)	-18%
Infrastructure financing	469,390	551,272	(81,882)	-15%
Total program expenses	4,268,234	4,110,981	157,253	4%
Increase (decrease) in net position	427,925	102,264	325,661	100%
Net position, beginning of year	20,864,646	20,762,382	102,264	0%
Net position, end of year	$ 21,292,571	$ 20,864,646	$ 427,925	2%

Capital Assets and Debt Administration

Capital Assets

At September 30, 2023, the District had $25,029,453 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of $8,194,136 has been taken, which resulted in a net book value of $16,835,317. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2023, the District had $10,461,469 Bonds, Notes, and capital leases outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

Significant Activities

The District continued its Driveway Improvement Program which together with landowner participation, replaces damaged or crushed driveway culverts that impede storm water flow.

The District concluded construction of drainage improvements in Jupiter Farms and one of the projects in Palm Beach Country Estates The project in Jupiter Farms was partially funded by a grant from the Florida Department of Environmental Protection (FDEP) for $353,650. The project in Palm Beach Country Estates that remains in progress was held up by permitting issues and is now scheduled for completion within the next two years. This project is also partially funded by a grant from the FDEP for $312,500.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Treasurer: Charles F. Haas, CPA, South Indian River Water Control District, 15600 Jupiter Farms Road, Jupiter Florida, 33478.

GOVERNMENT-WIDE

FINANCIAL STATEMENTS

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Statements of Net Position
September 30, 2023 and 2022

	2023	2022
Assets:		
Current assets		
Cash and short-term investments - unrestricted	$ 3,618,863	$ 3,194,437
Cash and short-term investments - restricted	1,236,144	1,283,721
Special assessments receivable - current portion - restricted	1,752,076	1,698,341
Other receivables	285,929	269,274
Total current assets	6,893,012	6,541,982
Noncurrent assets		
Long term receivable - special assessments - restricted	8,655,860	10,407,938
Long term financing agreement receivable	27,428	41,679
Capital assets not being depreciated:		
Land, canals, easements, and construction in progress	7,393,100	7,630,220
Capital assets being depreciated:	17,636,353	16,491,474
Accumulated depreciation on depreciable capital assets	(8,194,136)	(7,408,877)
Total noncurrent assets	25,518,605	27,162,434
Total assets	**$ 32,411,617**	**$ 33,704,416**
Liabilities:		
Current liabilities:		
Accounts and contracts payable	$ 168,303	$ 125,629
Accrued interest payable	126,015	143,736
Current portion of long-term debt	1,752,076	1,749,013
Total current liabilities	2,046,394	2,018,378
Noncurrent liabilities:		
Bond payable	6,805,000	7,675,000
Notes payable	1,850,860	2,732,938
Financing agreement payable	53,533	54,945
Accrued compensated absences	88,052	56,806
Total noncurrent liabilities	8,797,445	10,519,689
Deferred inflows of resources		
Financing agreement related	275,207	301,703
Total deferred inflows of resources	275,207	301,703
Total liabilities and deferred inflow of resources	11,119,046	12,839,770
Net Position:		
Net investment in capital assets	16,247,048	14,722,615
Restricted for:		
Capital projects	90,782	-
Debt service	3,365,679	4,732,179
Unrestricted	1,589,062	1,307,588
Total net position	**$ 21,292,571**	**$ 20,762,382**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Statements of Activities
Years Ended September 30, 2023 and 2022

	2023				
	Total	**Water Control**	**Road Maintenance**	**Park Maintenance**	**Infrastructure Financing**
Expenses:					
Direct expense:					
Physical environment	$ 1,847,705	$ 1,847,705	$ -	$ -	$ -
Transportation	1,152,763	-	1,152,763	-	-
Recreation	13,117	-	-	13,117	
Interest on debt	367,284	-	-	-	367,284
Indirect expenses:					
Depreciation	785,259	102,199	662,374	20,686	-
Other	102,106	-	-	-	102,106
Total expenses	**4,268,234**	**1,949,904**	**1,815,137**	**33,803**	**469,390**
Revenues:					
Program revenues:					
Assessments	4,073,495	2,429,725	1,299,474	23,162	321,134
Grant income	288,850	288,850			
Other income	313,987	60,869	133,706	-	119,412
Restricted investment earnings	19,827	17,145	1,027	18	1,637
Total program revenues	**4,696,159**	**2,796,589**	**1,434,207**	**23,180**	**442,183**
Net program income (expense)	**$ 427,925**	**$ 846,685**	**$ (380,930)**	**$ (10,623)**	**$ (27,207)**
Change in net position	427,925				
Net position - beginning	20,864,646				
Net position - ending	**$ 21,292,571**				

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Statements of Activities

Years Ended September 30, 2023 and 2022

	2022				
	Total	**Water Control**	**Road Maintenance**	**Park Maintenance**	**Infrastructure Financing**
Expenses:					
Direct expenses:					
Physical environment	$ 1,829,280	$ 1,829,280	$ -	$ -	$ -
Transportation	975,562	-	975,562	-	-
Recreation	20,379	-	-	20,379	
Interest on debt	442,379	-	-	-	442,379
Indirect expenses:					
Depreciation	734,488	91,349	622,452	20,687	-
Other	108,893	-	-	-	108,893
Total expenses	**4,110,981**	**1,920,629**	**1,598,014**	**41,066**	**551,272**
Revenues:					
Program revenues:					
Assessments	3,871,743	2,402,174	1,012,234	22,347	434,988
Grant income	64,800	64,800	-	-	-
Other income	259,310	93,936	133,123	-	32,251
Restricted investment earnings	17,392	8,938	6,418	14	2,022
Total program revenues	**4,213,245**	**2,569,848**	**1,151,775**	**22,361**	**469,261**
Net program income (expense)	**$ 102,264**	**$ 649,219**	**$ (446,239)**	**$ (18,705)**	**$ (82,011)**
Change in net position	102,264				
Net position - beginning	20,762,382				
Net position - ending	**$ 20,864,646**				

See accompanying notes to financial statements.

Fund Financial Statements

Governmental Funds

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Balance Sheet
Governmental Funds
September 30, 2023

	Special Revenue Funds			
	Water Control Eastside	**Water Control Westside**	**Road Maintenance - PBCE**	**Road Maintenance - Jupiter Farms**
Assets:				
Cash and short-term investments	$ 572,642	$ 901,579	$ 151,063	$ 167,893
Special assessments	-	-	-	-
Accounts receivable	2,737	8,169	1,336	5,111
Total assets	**$ 575,379**	**$ 909,748**	**$ 152,399**	**$ 173,004**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued expenses	$ 10,039	$ 47,576	$ 7,036	$ 21,415
Total liabilities	10,039	47,576	7,036	21,415
Deferred inflows of resources:				
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Restricted for:				
Debt service	-	-	-	-
Future construction	-	-	-	-
Committed for:				
Renewal and replacement	-	-	-	-
Assigned for:				
Subsequent years operations	565,340	862,172	145,363	151,589
Subsequent year's capital expenditures	-	-	-	-
Total fund balances	565,340	862,172	145,363	151,589
Total liabilities,deferred inflows of resources, and fund balances	**$ 575,379**	**$ 909,748**	**$ 152,399**	**$ 173,004**

See accompanying notes to financial statements.

Debt Service Funds		Capital Projects		
2015 Water Distribution System Bonds	2007 Series A OGEM Road Note	Road Improvement Funds	Other Governmental Funds	Total Governmental Funds
$ 764,847	$ 57,767	$ 1,063,380	$ 906,111	$ 4,585,282
7,675,000	863,714	-	1,869,222	10,407,936
4,823	1,156	-	5,568.00	28,900
$ 8,444,670	**$ 922,637**	**$ 1,063,380**	**$ 2,780,901**	**$ 15,022,118**
$ 3,525	$ 183	$ -	$ 19,520	$ 109,294
3,525	183	-	19,520	109,294
7,675,000	863,714	-	1,869,222	10,407,936
7,675,000	863,714	-	1,869,222	10,407,936
766,145	58,740	-	326,464	1,151,349
-	-	90,782	-	90,782
		-		
-	-	972,598	-	972,598
			173,104	1,897,568
-	-	-	392,591	392,591
766,145	58,740	1,063,380	892,159	4,504,888
$ 8,444,670	**$ 922,637**	**$ 1,063,380**	**$ 2,780,901**	**$ 15,022,118**

See accompanying notes to financial statements.

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SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2023

Total governmental fund balances		$ 4,504,888
Amounts reported in the statement of net position are different because:		
Capital assets	$ 22,530,521	
Less accumulated depreciation	(6,705,618)	15,824,903
An internal service fund is used by management to charge the costs of certain activities to individual units. The assets and liabilities of the internal service fund are reported in the statement of net position.		1,088,795
Revenue for special assessments is deferred for fund reporting but is recognized in the government-wide statements at the time the assessment is levied. The deferral is not reported on the government-wide statements.		10,407,936
Some liabilities, including debt obligations, are not due and payable in the current period and therefore are not reported in the funds statements. Long term liabilities at year-end are:		
Bond, notes & capital lease payable	(10,407,936)	
Accrued interest on long-term debt	(126,015)	(10,533,951)
Total net position - governmental activities		**$ 21,292,571**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2023

	Special Revenue Funds			
	Water Control Eastside	**Water Control Westside**	**Road Maintenance - PBCE**	**Road Maintenance - Jupiter Farms**
Revenues:				
Assessments	$ 552,197	$ 1,668,591	$ 270,301	$ 1,029,173
Intergovernmental	-	-	-	-
Charges for services	13,531	33,560	13,531	33,560
Investment income	2,533	4,408	251	776
Miscellaneous	-	-	-	-
Total revenues	**568,261**	**1,706,559**	**284,083**	**1,063,509**
Expenditures:				
Current:				
Physical environment	470,221	1,503,283	-	-
Transportation	-	-	277,270	927,099
Recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:	-	-	-	-
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Other debt service	-	-	-	-
Total expenditures	**470,221**	**1,503,283**	**277,270**	**927,099**
Excess (deficiency) of revenues over (under) expenditures	98,040	203,276	6,813	136,410
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	(36,100)	-	-
Total other financing sources (uses)	-	(36,100)	-	-
Net change in fund balance	98,040	167,176	6,813	136,410
Fund balances, beginning of year	467,300	694,996	138,550	15,179
Fund balances, end of year	**$ 565,340**	**$ 862,172**	**$ 145,363**	**$ 151,589**

See accompanying notes to financial statements.

Debt Service Funds		Capital Projects		
2015 Water Distribution System Bonds	2007 Series A OGEM Road Note	Road Improvement Funds	Other Governmental Funds	Total Governmental Funds
$ 939,085	$ 223,526	$ -	$ 1,088,963	$ 5,771,836
-	-	-	288,850	288,850
-	-	-	-	94,182
830	128	(1)	897	9,822
23,112	-	96,300	-	119,412
963,027	**223,654**	**96,299**	**1,378,710**	**6,284,102**
-	-	-	8,279	1,981,783
-	-	5,518	-	1,209,887
-	-	-	13,117	13,117
-	-	232,592	540,285	772,877
-	-	-	-	
845,000	194,781	-	658,560	1,698,341
234,300	43,969	-	103,796	382,065
14,923	1,471	-	85,712	102,106
1,094,223	**240,221**	**238,110**	**1,409,749**	**6,160,176**
(131,196)	(16,567)	(141,811)	(31,039)	123,926
-	-	299,400	250,500	549,900
-	-	(250,500)	(63,300)	(349,900)
-	-	48,900	187,200	**200,000**
(131,196)	(16,567)	(92,911)	156,161	323,926
897,341	75,307	1,156,291	735,998	4,180,962
$ 766,145	**$ 58,740**	**$ 1,063,380**	**$ 892,159**	**$ 4,504,888**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2023

Net change in fund balances - total governmental funds		$ 323,926
Amounts reported in the statement of activities are different because:		
are reported in the statement of activities.		(78,152)
However, in the statement of activities, the cost of capital assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		164,430
The issuance of long-term debt obligations provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Special assessment debt principal payments	$ 1,698,341	
Net change in accrued interest	17,721	
Total debt adjustments		1,716,062
Governmental funds report annual collections of debt assessments as revenue, including the portion collected for principal repayment. However, in the statement of activities, the principal repayment portion was recognized as revenue upon adoption of the resolutions authorizing the debt.		(1,698,341)
Change in net postion of governmental activities		**$ 427,925**

See accompanying notes to financial statements.

Proprietory Fund-Internal Service Fund

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SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Statement of Net Position
Internal Service Fund
September 30, 2023

Assets:		
Current assets:		
Cash and short-term investments	$	269,725
Accounts receivable		9,250
Lease receivable		27,428
Total current assets		306,403
Noncurrent assets:		
Lease receivable		247,779
Equipment		2,498,932
Accumulated depreciation		(1,488,518)
Total noncurrent assets		1,258,193
Total assets	**$**	**1,564,596**
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	$	59,009
Financing agreement payable		53,533
Total current liabilities		112,542
Noncurrent liabilities:		
Accrued compensated absences		88,052
Total liabilities		200,594
Deferred inflows of resources:		
Lease related		275,207
Total deferred inflows of resources		275,207
Net Position		
Investment in capital assets		1,010,414
Net position - unrestricted		78,381
Total net position		1,088,795
Total liabilities,deferred inflow of resources and net position	**$**	**1,564,596**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Statement of Revenues, Expenses and Changes in Net Position
Internal Service Fund
Year Ended September 30, 2023

Operating revenues:		
Charges for services	$	2,260,913
Other		36,897
Total operating revenues		**2,297,810**
Operating expenses:		
Personal services		1,238,544
Materials, supplies, services and other operating expenses		769,810
Depreciation		176,812
Total operating expenses		**2,185,166**
Operating income		112,644
Nonoperating revenues (expenses):		
Investment income		10,005
Rental income		26,496
Gain on the disposition of equipment		-
Interest on equipment financing agreement		(2,940)
Transfers out		(200,000)
Total nonoperating expenses		**(166,439)**
Change in net position		(53,795)
Net position, beginning of year		1,142,590
Net position, end of year	**$**	**1,088,795**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Statement of Cash Flows
Internal Service Fund
Year Ended September 30, 2023

Cash flows from operating activities:		
Cash receipts from quasi-external operating transactions	$	2,260,913
Cash payments to suppliers for goods and services		(754,251)
Cash payments to employees for services		(1,269,790)
Net cash provided by operating activities		**273,769**
Cash flows from capital and related financing activities:		
Purchase of fixed assets		(159,239)
Interest on equipment financing agreement		(2,940)
Net cash used by capital and related financing activities		**(162,179)**
Cash flows from noncapital financing activities		
Interest income		10,005
Rental income		26,496
Transfers to other funds-net		(200,000)
Net cash used by noncapital financing activities		**(163,499)**
Net decrease in cash and cash equivalents		(51,909)
Cash and cash equivalents, beginning of year		287,399
Cash and cash equivalents, end of year		**235,490**
Reconciliation of operating income to net cash provided by operating activities:		
Operating income		**112,644**
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense		176,812
Increase (decrease) in:		
Accounts payable and accrued expenses		15,559
Accrued compensated absences		(31,246)
Total adjustments		**161,125**
Net cash provided by operating activities	**$**	**273,769**

See accompanying notes to financial statements.

Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Regulatory Requirements

South Indian River Water Control District (the "District") was originally incorporated as South Indian River Drainage District on July 3, 1923, by decree of the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, State of Florida, pursuant to Chapter 6458 of the Laws of the State of Florida, approved June 9, 1923. Subsequent legislation has extended the powers granted to the District. The Charter of the District has been codified as Chapter 2001-313, Laws of Florida.

The purpose of the District is to provide surface water management of lands within the District by constructing and maintaining the necessary canals, roads, pumping stations, and other water control structures. The District also has the responsibility for the maintenance and repair of dedicated roads and road rights of way, including swales thereof, within the District, where such maintenance and repair is not performed by other governmental units, and to provide potable water distribution, wastewater collection and park maintenance services in a portion of the District.

The District contains approximately 12,000 acres located in Township 40 South, Range 41 East; Township 41 South, Range 41 East; and Township 41 South, Range 42 East, Palm Beach County, Florida.

Accounting Principles

The accounting methods and procedures adopted by the District conform to U.S. generally accepted accounting principles as applied to governmental entities. The District follows the requirements of GASB Statement No. 34. This statement requires the following to be presented in the financial statements:

Management's discussion and analysis;

Basic Financial Statements:

Government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting,

Fund financial statements, consisting of a series of statements that focus on a government's major funds,

Notes to the financial statements;

Required Supplementary Information, which requires budgetary comparison schedules to be presented.

Additionally, GASB Statement No. 34 requires the elimination of the effects of internal service activities and the recording of depreciation for general capital assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide statements focus on the District as a whole, while the fund financial statements focus on major individual funds.

Government-wide Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities. These statements report information on all of the activities of the District. Inter-fund activity has been eliminated from these statements. The statement of activities demonstrates the extent to which the direct expenses for a given program or function is offset by program revenues. Program revenues include special assessments levied by the District, miscellaneous charges for external services, and restricted investment income. Certain miscellaneous items are reported as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, and the internal service fund. Major individual governmental funds are reported as separate columns.

The District reported the following seven major individual governmental funds for the year ended September 30, 2023

Special Revenue Funds
Water Control Eastside
Water Control Westside
Road Maintenance - Palm Beach Country Estates (PBCE)
Road Maintenance - Jupiter Farms

Debt Service Funds
2015 Water Distribution System Refunding Bonds
2007 Series A OGEM Road Improvement Note

Capital Projects Funds
Road Improvement Funds

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements (Continued)

Since the principal users of internal services are the District's governmental activities, the financial statements of the internal service fund are consolidated into the governmental activities in the government-wide statements. This avoids "doubling up" revenues and expenses.

Basis of Presentation

Government-wide Financial Statements

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

Because the government-wide statements are presented on a different measurement focus and basis of accounting than the fund financial statements, reconciliations are presented to explain the adjustments needed to transform the fund-based financial statements into the government-wide presentation.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Revenues for expenditure-driven grants or cost sharing arrangements are made when the qualifying expenditures are included.

Assessment and interest revenues associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The District uses the County Property Appraiser and Tax Collector to collect assessments. Maintenance assessments are levied on October 1 of each year. Debt assessments are levied at the time the related debt is authorized. Maintenance assessments and annual installments of debt assessments are included with property tax bills which are mailed on or about November 1 and must be paid by the following March. Tax bills not paid are declared delinquent and tax certificates are sold in July to satisfy the lien. Unsold certificates paid after September 30, are recorded as revenue in the fiscal year received.

The District's proprietary fund is accounted for using the economic resources measurement focus and the accrual basis of accounting

Fund Accounting

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The reporting model sets forth minimum criteria (percentage of total assets, liabilities, revenues or expenditures of governmental funds) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The District utilizes the following fund types:

Governmental Funds

Special Revenue Funds – These funds are used to account for revenues which are restricted to the maintenance of water control facilities, roads and a park.

Debt Service Funds – These funds are used to account for the payment of interest and principal on long-term debt.

Capital Projects Fund – These funds are used to account for resources to be used for the acquisition or construction of major capital facilities.

Proprietary Fund

Internal Service Fund – This fund is used to account for the provision of maintenance services to individual units on a cost reimbursement basis.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

The District adopts annual budgets for the Special Revenue and Debt Service Funds that are funded with special assessments on a basis consistent with generally accepted accounting principles (GAAP). As required by GASB Statement No. 34, budgetary comparison schedules are presented for the major special revenue funds. Budgetary comparison schedules are not required and have not been presented for debt service or capital projects funds or for nonmajor special revenue funds.

Statement of Cash Flows

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
c) Interest bearing time deposits or savings accounts in qualified public depositories;
d) Direct obligations of the U.S. Treasury.

Investments are separately held and individually accounted for where contractual arrangements or debt covenants provide for and require such arrangements. Investments are stated at fair value (See Note 2).

Special Assessments Receivable/Unavailable Revenue

Special assessments receivable recorded in the Debt Service Funds represent the balance of outstanding assessments levied by the District to repay outstanding debt net of available restricted cash and investments. The assessments are levied at the time the related debt issuance is authorized. The receivables are collected in annual installments together with assessments for interest and collection costs in amounts sufficient to meet the annual debt service requirements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Special Assessments Receivable/Unavailable Revenue* (Continued)**

The District reports unavailable revenue in the fund financial statements in an amount equal to the special assessments receivable since this revenue will be collected in future years. In the government-wide financial statements the assessment revenue is recognized at the time the assessments are levied.

Lease Receivable/Deferred Inflows of Resources

The District engages in one lease agreement in which it is the lessor. The District recognizes a lease receivable and a deferred inflow of resources to account for a cell tower lease. At the commencement of the lease, the District initially measured the lease receivable and the deferred inflow of resources at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. Key estimates related to the lease include the discount rate used to discount the expected lease payments to present value, the lease term and the lease receipts. The District estimated the incremental borrowing rate as the discount rate. The District monitors changes in circumstances that would require remeasurement of its leasesand will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affest the amount of the lease receivable.

Capital Assets and Depreciation

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received.

Capital assets are defined as assets with a useful life of greater than one year and an acquisition cost of more than $2,500 for equipment and $25,000 for infrastructure. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure, such as canals, bridges, culverts and drainage systems, are capitalized along with other general capital assets at historical costs.

Depreciation of most capital assets is computed by the straight-line method. Estimated useful lives range from 5 to 50 years. The District does not depreciate land, canals, or easements because these assets are considered to be inexhaustible.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond issuance costs are expensed when incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

Net position equals the difference between assets and deferred outflow of resources and liabilities. In the government-wide financial statements, net position is categorized in one of three categories as either invested in capital assets, restricted, or unrestricted. Net investment in capital assets is equal to capital assets less accumulated depreciation and related debt. Net position is reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by other governments, creditors, or grantors.

Fund Equity

Governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation, are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Supervisors through a resolution are classified as committed fund balances. Amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by District's management based on the Board of Supervisors direction. Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes. It is the District's policy to expend restricted funds first when both restricted and unrestricted fund balance is available unless there are legal agreements that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefits

The District's policy is to permit employees to accumulate up to 120 hours vacation and up to 480 hours sick leave. The cost of earned but unused vacation leave is accrued as a liability in the period in which the leave is earned. A liability for earned but unused sick leave is accrued to the extent that it is probable, based on the District's experience that the leave will result in cash payments at termination.

Risk Management

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omission; injuries to employees, and natural disasters. The District purchases commercial insurance for claims for all material risks of loss to which the District is exposed, including general liability, property, and workers' compensation insurance. The District is also covered by Florida Statutes under the doctrine of sovereign immunity, which effectively limits the amount of liability of the District to individual claims of $200,000/$300,000 for all claims relating to the same incident. There were no changes in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

New Accounting Standards Adopted

The District considered the new accounting standards which effective dates are applicable for the fiscal year ended September 30, 2023. The implementation of GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*, did not have a significant impact on the District's financial statements.

NOTE 2. CASH AND INVESTMENTS

Cash

At September 30, 2023, the carrying amount of cash on hand and on deposit with banks, including interest-bearing accounts, was $191,709. All of the District's bank deposits including money market accounts and certificates of deposit are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act." (the "QPD"). Under the Act, every qualified public depository shall deposit with the Chief Financial Officer eligible collateral of the depository to be held subject to his order. The Chief Financial Officer by rule has established minimum required collateral pledging levels ranging from 25% to 125% of the average monthly balance of public deposits, depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. At year end, the full amount of the District's monetary assets were covered by federal depository insurance or by the QPD program.

Investments

At September 30, 2023, the District's investments were held as follows:

	Amortized Cost	Credit Risk	Maturity
Money Market Funds	$ 1,692,808	S&P: A-2	Less than 7 days
Certificates of Deposit	2,682,952	S&P: A-2	87
Total	**$ 4,375,760**		

Money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments reported above are at amortized cost.

Credit risk – For investments, credit risk is generally the risk that an issuer of the investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments. The District minimizes the credit risk of its portfolio by only investing with financial institutions who participate in the QPD program

NOTE 2. CASH AND INVESTMENTS (Continued)

Concentration risk – The District places no limit on the amount it may invest in any one issuer. The District minimizes the concentration risk of its portfolio by only investing with financial institutions who participate in the QPD program

Interest rate risk – The District has no formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District attempts to minimize this risk in its portfolio by investing primarily in money market funds and short term certificates of deposits.

NOTE 3. LEASE RECEIVABLE

Effective October 1, 2021, the District adopted the provisions of GASB No. 87, *Leases*, which required the District to recognize a lease receivable and a deferred inflow of resources. The District, as lessor, leased land and all access and utility easements for a communication tower. The lease term under the agreements was for a period of 300 months with 119 months remaining. In addition, the lease has extension and/or termination options, for which the District has made determinations as to if those options are reasonably certain to be exercised, and those determinations are reflected in the calculation presented, in accordance with GASB No. 87.

During the fiscal year ended September 30, 2023, the District recognized the following related to this lease agreement:

	Future Minimum Rent
Lease Revenue	$ 26,496
Less: Interest Income	10,005
Principal Reduction	$ 16,491

Future principal and interest payment requirements related to the District's lease receivables at September 30, 2023 are as follows:

	Principal	Interest	Future Minimum Rent
2024	$ 27,425	$ 9,076	$ 36,501
2025	28,388	8,113	36,501
2026	29,838	7,119	36,957
2027	35,993	5,983	41,976
2028	37,257	4,719	41,976
2029-203	116,306	6,123	122,429
Total	$ 275,207	$ 41,133	$ 316,340

NOTE 4. INTERFUND TRANSFERS

Transfers of resources from a fund receiving revenue to the fund through which the resources will be expended are recorded as transfers and are reported as other financing sources (uses) in the governmental funds and transfers (to) from other funds in the internal service fund. Transfers were made to fund Capital Projects and the Road Improvement Renewal and Replacement funds.

During the year ended September 30, 2023, the District had the following transfers between funds:

	Transfers In	Transfers Out
Major fund:		
Road Improvement Funds	$ 299,400	$ 250,500
Water Control Westside	-	36,100
Nonmajor fund:		
Jupiter Farms Water Control Projects	43,000	-
JF LRPI Improvements DEP Grant	-	-
PBCE Water Control Project Canal E	207,500	
PBCE Water Control Projects-Canal C	-	63,300
Proprietary Fund	-	200,000
Totals	**$ 549,900**	**$ 549,900**

NOTE 5. CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 388,536	$ -	$ -	$ 388,536
Canal & Dikes	6,835,046	-	-	6,835,046
Construction In Progress	406,638	540,285	(777,405)	169,518
Total Capital Assets Not Being Depreciated	**7,630,220**	**540,285**	**(777,405)**	**7,393,100**
Capital Assets Being Depreciated:				
Buildings	567,223	-	-	567,223
Improvements & Infrastructure:	13,584,558	985,640	-	14,570,198
Machinery And Equipment	2,339,693	159,239	-	2,498,932
Total Capital Assets Being Depreciated	**16,491,474**	**1,144,879**	**-**	**17,636,353**
Accumulated Depreciation:				
Buildings	183,453	4,704	-	188,157
Improvements & Infrastructure:	5,913,718	603,743	-	6,517,461
Equipment	1,311,706	176,812	-	1,488,518
Total Accumulated Depreciation	7,408,877	785,259	-	8,194,136
Net Capital Assets Being Depreciated	**9,082,597**	**359,620**	**-**	**9,442,217**
Total Capital Assets, Net	$ **16,712,817**	$ **899,905**	$ **(777,405)**	$ **16,835,317**

Depreciation was charged to functions as follows:

Water Control	$ 102,199
Road Maintenance	662,374
Park Maintenance	20,686
Total depreciation expense	$ **785,259**

NOTE 6. LONG-TERM OBLIGATION

Changes in long-term obligations for the year ended September 30, 2023, are summarized below:

	Beginning Balance	Additions	Reductions	Ending Balance
Special Assessment Bonds	$ 8,520,000	$ -	$ 845,000	$ 7,675,000
Special Assessment Notes	3,586,277	-	853,341	2,732,936
Long-term liabilities	**$ 12,106,277**	**$ -**	**$ 1,698,341**	**$ 10,407,936**

The bonds and notes are limited obligations of the District and are collateralized solely by special assessments levied upon the lands benefited.

Special Assessment Bond

$13,775,000 2015 Special Assessment Revenue Improvement Bonds (Palm Beach Country Estates Water Distribution System) due in an annual installments ranging from $805,000 to $1,055,000 through August 1, 2031 with interest 2.75% payable semi-annually on February 1st and August 1st of each year.	$ 7,675,000

Notes Payable

Terms of the District's Improvement Notes require the District to levy annual assessments on the benefitted property sufficient to pay the debt service on the notes. The notes are secured by and payable solely from these annual assessments.

$3,200,000 2007 OGEM Road Improvement Note due in annual installments of $179.533 to $229,393 through August 1, 2027, with interest at 4.16% payable semi-annually on February 1st and August 1st of each year.	$ 863,714
$2,330,000 2009 PBCE Hookup Financing Note due in annual installments of $181,000 to $196,000 through August 1, 2023 with interest at at 4.17% per annum is payable semi-annually on February 1st and August 1st of each year. A final installment of $198,442 plus interest at 4.17% per annum is due on July 20, 2024.	198,442

NOTE 6. LONG-TERM OBLIGATION (Continued)

$1,875,000 2011 Road Improvement Note due in annual installments of $133,390 to $162,880 through August 1, 2026, with interest at 4.07% payable semi-annually on February 1st and August 1st of each year.	469,700
$680,000, 2013 Road Improvement Note due in annual installments of $ 59,400 to $68,830 through October 1, 2026, payable semi-annually on April 1st and October 1st of each year.Interest is accrued at 3.75% per annum	135,160
$1,500,000, 2016 Road Improvement Note due in annual installments of $146,990 to $172,490 through August 1, 2026, payable semi-annually on February 1st and August 1st of each year.Interest is accrued at 3.25% per annum	501,350
$1,008,000, 2018 Road Improvement Note due in annual installments of $ 88,480 to $ 124,100 through August 1, 2028, payable semi-annually on February 1st and August 1st of each year.Interest is accrued at 4.95% per annum	564,570
Total Long-Term Notes	**2,732,936**
Total Long-Term Obligations	**$ 10,407,936**

Reported in the statement of net assets as:		
Total long-term obligations	$	10,407,936
Less current portion		(1,752,076)
Noncurrent portion	**$**	**8,655,860**

NOTE 6. LONG-TERM OBLIGATION (Continued)

	2015 PBCE Water Distribution System Bonds	2007 OGEM Road Resurfacing Notes	2009 PBCE Hookup Financing
Long-term obligations October 1, 2022	$ 8,520,000	$ 1,058,495	$ 394,442
Bonds/notes issued	-		
Bonds/notes retired	$ (845,000)	$ (194,781)	$ (196,000)
Long-term obligations, September 30, 2023	**$ 7,675,000**	**$ 863,714**	**$ 198,442**

Debt service requirements to maturity are as follows:

	2015 PBCE Water Distribution System Bonds	2007 OGEM Road Resurfacing Notes	2009 PBCE Hookup Financing
2024	$ 1,081,063	238,815	206,648
2025	1,082,138	238,815	-
2026	1,082,525	238,814	-
2027	1,082,225	238,934	-
2028	1,081,238	-	-
2029-2031	3,245,776	-	-
Totals	8,654,965	955,378	206,648
Less amount representing interest	979,965	91,664	8,206
Totals	**$ 7,675,000**	**$ 863,714**	**$ 198,442**

NOTE 6. LONG-TERM OBLIGATION (Continued)

Changes in long-term obligations for the year ended September 30, 2023 are summarized below:

	2011 Road Improvement	2013 Road Improvement	2016 Road Improvement Note- 18th POI
Long-term obligations October 1, 2022	$ 614,170	$ 199,100	$ 658,050
Bonds/notes issued			
Bonds/notes retired	(144,470)	(63,940)	(156,700)
Long-term obligations, September 30, 2023	**$ 469,700**	**$ 135,160**	**$ 501,350**

Debt service requirements to maturity are as follows:

	2011 Road Improvement	2013 Road Improvement	2016 Road Improvement Note- 18th POI
2024	169,467	71,827	178,365
2025	169,468	71,621	178,249
2026	169,509	-	178,174
Totals	508,444	143,448	534,788
Less amount representing interest	38,744	8,288	33,438
Totals	**$ 469,700**	**$ 135,160**	**$ 501,350**

NOTE 6. LONG-TERM OBLIGATION (Continued)

2018 Road Improvement Note, 19th POI	Total Notes and Bonds Payable	Amount Representing Principal
$ 662,020	$ 12,106,277	$ 12,106,277
(97,450)	(1,698,341)	(1,698,341)
$ 564,570	**$ 10,407,936**	**$ 10,407,936**

2018 Road Improvement Note, 19th POI	Total Notes and Bonds Payable	Amount Representing Interest	Amount Representing Principal
130,682	2,076,867	324,791	1,752,076
130,532	1,870,823	264,809	1,606,014
130,465	1,799,487	211,352	1,588,135
130,381	1,451,540	158,929	1,292,611
130,345	1,211,583	117,483	1,094,100
-	3,245,776	170,776	3,075,000
652,405	11,656,076	1,248,140	10,407,936
87,835	1,248,140	(1,248,140)	-
$ 564,570	**$ 10,407,936**	**-**	**$ 10,407,936**

NOTE 6. LONG-TERM OBLIGATION (Continued)

Capital Financing

In January 2021, the District entered into a financing agreement to purchase equipment. The agreement does not meet the criteria to be recognized under GASB 87, *Leases*, for accounting purposes, and therefore is treated as a capital financing activity. Therefore, the asset was recorded at present value of the future minimum payments as of the inception date.

	Internal Service Fund
Asset:	
Machinery & Equipment	$ 205,181
Less: Accumulated Depreciation	(51,295)
Total	$ 153,886

At September 30, 2023, the future minimum payments under the financing agreement are as follows:

Year ending September 30:	Internal Service Fund
2024	$ 55,024
Total minimum paymnets	55,024
Less Amount representing interest	1,491
Total	$ 53,533

NOTE 7. RETIREMENT PLANS

Defined Contribution Plan

The District participates in a defined contribution pension plan established to provide benefits at retirement to eligible employees hired after January 1, 1996. At September 30, 2023, there were 20 plan members. The District's total payroll for all employees was $930,727 and those covered by the plan was $878,833. The District is required to contribute 10% of the annual covered payroll. Plan members are not required to contribute. Plan provisions and contribution requirements are established and may be amended by the District’s Board of Supervisors.

NOTE 8. COMMITMENTS

Intergovernmental Arrangements

In June 2005, the District entered into an agreement with the Town of Jupiter (the "Town") to provide water service to a portion of land within the District, (Palm Beach Country Estates Community located within the Unit of Development RI-13 Project Area). Under this agreement the District financed and constructed the water service system and turned it over to the Town for operation and maintenence.

Also as part of the agreement as modified in an extension the Town initiated a program for landowners to facilitate the financing of hookups similar to the Hookup Financing program. The District agreed to collect the assessments from the affected landowners and turn the net proceeds over to the Town. The District assumes no liability for this service.

REQUIRED SUPPLEMENTARY INFORMATION

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SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Budgetary Comparison Schedule
Water Control Eastside - Special Revenue Fund
Year Ended September 30, 2023

	Budget Original	Budget Final	Actual Amounts	Variance From Final Budget Positive/ Negative
Revenues:				
Assessments	$ 530,200	$ 530,200	$ 552,197	$ 21,997
Charges for services	11,000	11,000	13,531	2,531
Investment income	-	-	2,533	2,533
Total revenues	**541,200**	**541,200**	**568,261**	**27,061**
Expenditures:				
Current:				
Physical environment	1,007,992	1,007,992	470,221	537,771
Transportation	-	-	-	-
Total expenditures	**1,007,992**	**1,007,992**	**470,221**	**537,771**
Excess (deficiency) of revenues over (under) expenditures	(466,792)	(466,792)	98,040	564,832
Net change in fund balance	(466,792)	(466,792)	98,040	564,832
Fund balances, beginning of year	466,792	466,792	467,300	508.00
Fund balances, end of year	**$ -**	**$ -**	**$ 565,340**	**$ 565,340**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Budgetary Comparison Schedule
Water Control Westside - Special Revenue Fund
Year Ended September 30, 2023

	Budget Original	Budget Final	Actual Amounts	Variance From Final Budget Positive/ Negative
Revenues:				
Assessments	$ 1,569,600	$ 1,569,600	$ 1,668,591	$ 98,991
Charges for services	41,000	41,000	33,560	(7,440)
Investment income	80	80	4,408	4,328
Miscellaneous		-	-	-
Total revenues	**1,610,680**	**1,610,680**	**1,706,559**	**95,879**
Expenditures:				
Current:				
Physical environment	2,258,873	2,258,873	1,503,283	755,590
Transportation	-	-	-	-
Total expenditures	**2,258,873**	**2,258,873**	**1,503,283**	**755,590**
Excess (deficiency) of revenues over (under) expenditures	(648,193)	(648,193)	203,276	851,469
Other financing uses:				
Transfers out	(36,100)	(36,100)	(36,100)	-
Total other financing uses	**(36,100)**	**(36,100)**	**(36,100)**	-
Net change in fund balance	(684,293)	(684,293)	167,176	851,469
Fund balances, beginning of year	684,293	684,293	694,996	10,703.00
Fund balances, end of year	**$ -**	**$ -**	**$ 862,172**	**$ 862,172**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Budgetary Comparison Schedule
Road Maintenance- PBCE - Special Revenue Fund
Year Ended September 30, 2023

	Budget Original	Budget Final	Actual Amounts	Variance From Final Budget Positive/ Negative
Revenues:				
Assessments	$ 259,680	$ 259,680	$ 270,301	$ 10,621
Charges for services	11,000	11,000	13,531	2,531
Investment income	80	80	251	171
Miscellaneous			-	-
Total revenues	**270,760**	**270,760**	**284,083**	**13,323**
Expenditures:				
Current:				
Physical environment			-	-
Transportation	387,917	387,917	277,270	110,647
Total expenditures	**387,917**	**387,917**	**277,270**	**110,647**
Excess (deficiency) of revenues over (under) expenditures	(117,157)	(117,157)	6,813	123,970
Net change in fund balance	(117,157)	(117,157)	6,813	123,970
Fund balances, beginning of year	117,157	117,157	138,550	21,393.00
Fund balances, end of year	**$ -**	**$ -**	**$ 145,363**	**$ 145,363**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Budgetary Comparison Schedule
Road Maintenance- Jupiter Farms - Special Revenue Fund
Year Ended September 30, 2023

	Budget Original	Budget Final	Actual Amounts	Variance From Final Budget Positive/ Negative
Revenues:				
Assessments	$ 984,000	$ 984,000	$ 1,029,173	$ 45,173
Charges for services	41,000	41,000	33,560	(7,440)
Investment income	220	220	776	556
Miscellaneous			-	-
Total revenues	**1,025,220**	**1,025,220**	**1,063,509**	**38,289**
Expenditures:				
Current:				
Physical environment		-	-	-
Transportation	1,049,105	1,049,105	927,099	122,006
Total expenditures	**1,049,105**	**1,049,105**	**927,099**	**122,006**
Excess (deficiency) of revenues over (under) expenditures	(23,885)	(23,885)	136,410	160,295
Net change in fund balance	(23,885)	(23,885)	136,410	160,295
Fund balances, beginning of year	23,885	23,885	15,179	(8,706.00)
Fund balances, end of year	**$ -**	**$ -**	**$ 151,589**	**$ 151,589**

See accompanying notes to financial statements.

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COMBINING FINANCIAL STATEMENTS

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SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Balance Sheet
Other Governmental Funds
September 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total
Assets:				
Cash and short-term investments	$ 191,706	$ 322,746	$ 391,659	$ 906,111
Receivables:				
Special assessments	-	1,869,222	-	1,869,222
Due from other governments	-	-	-	-
Accounts receivable	115	4,421	1,032	5,568
Total assets	**$ 191,821**	**$ 2,196,389**	**$ 392,691**	**$ 2,780,901**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued expenses	$ 18,717	$ 703	$ 100	$ 19,520
Total liabilities	18,717	703	100	19,520
Deferred inflows of resources:				
Unavailable revenue-special assessments	-	1,869,222	-	1,869,222
Total deferred inflows of resources	-	1,869,222	-	1,869,222
Fund balances:				
Restricted for:				
Debt service	-	326,464	-	326,464
Assigned for:				
Subsequent years operations	173,104	-	-	173,104
Subsequent year's capital expenditures			392,591	392,591
Total fund balances	173,104	326,464	392,591	892,159
Total liabilities,deferred inflows of resources, and fund balances	**$ 191,821**	**$ 2,196,389**	**$ 392,691**	**$ 2,780,901**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2023

	PBCE Park Maintenance	Egret Landing Maintenance	Jupiter Commerce Park Maintenance
Assets:			
Cash and short-term investments	$ 103,091	$ 36,404	$ 52,211
Accounts receivable	115	-	-
Total assets	**$ 103,206**	**$ 36,404**	**$ 52,211**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenses	$ 16	$ 18,701	$ -
Total liabilities	16	18,701	-
Fund balances:			
Assigned for:			
Subsequent years operations	103,190	17,703	52,211
Total fund balances	103,190	17,703	52,211
Total liabilities,deferred inflows of resources, and fund balances	**$ 103,206**	**$ 36,404**	**$ 52,211**

See accompanying notes to financial statements.

Total Nonmajor Special Revenue Funds
$ 191,706
115
$ 191,821
$ 18,717
18,717
173,104
173,104
$ 191,821

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Balance Sheet
Nonmajor Debt Service Funds
September 30, 2023

	2009 PBCE Hookup Financing Note	2011 Road Improvement Note	2013 Road Improvement Note
Assets:			
Cash and short-term investments	$ 136,106	$ 76,041	$ 41,569
Special assessments	198,442	469,700	135,160
Due from other governments	-	-	-
Accounts receivable	1,506	872	399
Total assets	**$ 336,054**	**$ 546,613**	**$ 177,128**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenses	$ 238	$ 139	$ 63
Total liabilities	238	139	63
Deferred inflows of resources:			
Unavailable revenue-special assessments	198,442	469,700	135,160
Total deferred inflows of resources	198,442	469,700	135,160
Fund balances:			
Restricted for:			
Debt service	137,374	76,774	41,905
Total fund balances	137,374	76,774	41,905
Total liabilities,deferred inflows of resources, and fund balances	**$ 336,054**	**$ 546,613**	**$ 177,128**

See accompanying notes to financial statements.

2016 Road Improvement Note	2018 Road Improvement Note	Total Nonmajor Debt Service Funds
$ 46,005	$ 23,025	$ 322,746
501,350	564,570	1,869,222
-	-	-
943	701	4,421
$ 548,298	**$ 588,296**	**$ 2,196,389**
$ 150	$ 113	$ 703
150	113	703
501,350	564,570	1,869,222
501,350	564,570	1,869,222
46,798	23,613	326,464
46,798	23,613	326,464
$ 548,298	**$ 588,296**	**$ 2,196,389**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2023

	Jupiter Farms Water Control Projects	PBCE Water Control Projects	Total Nonmajor Capital Projects Funds
Assets:			
Cash and short-term investments	$ (29,188)	$ 420,847	$ 391,659
Total assets	**$ (28,713)**	**$ 421,404**	**$ 392,691**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenses	$ -	$ 100	$ 100
Retainage Payable	-	-	-
Total liabilities	-	100	100
Fund balances:			
Assigned for:			-
Subsequent year's capital expenditures	(28,713)	421,304	392,591
Total fund balances	(28,713)	421,304	392,591
Total liabilities,deferred inflows of resources, and fund balances	**$ (28,713)**	**$ 421,404**	**$ 392,691**

See accompanying notes to financial statements.

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SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Other Governmental Funds
Year Ended September 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total
Revenues:				
Assessments	$ 23,162	$ 856,864	$ 208,937	$ 1,088,963
Intergovernmental	-	-	288,850	288,850
Investment income	18	680	199	897
Total revenues	**23,180**	**857,544**	**497,986**	**1,378,710**
Expenditures:				
Current:				
Physical environment	-	-	8,279	8,279
Recreation	13,117	-	-	13,117
Capital outlay	-	-	540,285	540,285
Debt service:				
Principal retirement	-	658,560	-	658,560
Interest and fiscal charges	-	103,796	-	103,796
Other debt service	-	85,712	-	85,712
Total expenditures	**13,117**	**848,068**	**548,564**	**1,409,749**
Excess (deficiency) of revenues over (under) expenditures	10,063	9,476	(50,578)	(31,039)
Other financing sources (uses):				
Transfers in	-	-	250,500	250,500
Transfers out	-	-	(63,300)	(63,300)
Total other financing sources (uses)	-	-	187,200	187,200
Net change in fund balance	10,063	9,476	136,622	156,161
Fund balances, beginning of year	163,041	316,988	255,969	735,998
Fund balances, end of year	**$ 173,104**	**$ 326,464**	**$ 392,591**	**$ 892,159**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
Year Ended September 30, 2023

	PBCE Park Maintenance	Egret Landing Maintenance	Jupiter Commerce Park Maintenance
Revenues:			
Assessments	$ 23,162	$ -	$ -
Investment income	18	-	-
Total revenue	**23,180**	**-**	**-**
Expenditures:			
Current:			
Recreation	13,117	-	-
Total expenditures	**13,117**	**-**	**-**
Excess (deficiency) of revenues over (under) expenditures	10,063	-	-
Net change in fund balance	10,063	-	-
Fund balances, beginning of year	93,127	17,703	52,211
Fund balances, end of year	**$ 103,190**	**$ 17,703**	**$ 52,211**

See accompanying notes to financial statements.

	Total Nonmajor Special Revenue Funds
$	23,162
	18
	23,180
	13,117
	13,117
	10,063
	10,063
	163,041
$	**173,104**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds
Year Ended September 30, 2023

	2009 PBCE Hookup Financing Note	2011 Road Improvement Note	2013 Road Improvement Note
Revenues:			
Assessments	$ 292,103	$ 170,224	$ 76,082
Investment income	224	224	7
Total revenues	**292,327**	**170,448**	**76,089**
Expenditures:			
Debt service:	-		
Principal retirement	196,000	144,470	63,940
Interest and fiscal charges	16,590	24,950	7,453
Other debt service	81,996	1,113	507
Total expenditures	**294,586**	**170,533**	**71,900**
Excess (deficiency) of revenues over (under) expenditures	(2,259)	(85)	4,189
Net change in fund balance	(2,259)	(85)	4,189
Fund balances, beginning of year	139,633	76,859	37,716
Fund balances, end of year	**$ 137,374**	**$ 76,774**	**$ 41,905**

See accompanying notes to financial statements.

2016 Road Improvement Note	2018 Road Improvement Note	Total Nonmajor Debt Service Funds
$ 181,963	$ 136,492	$ 856,864
140	85	680
182,103	**136,577**	**857,544**
156,700	97,450	658,560
21,629	33,174	103,796
1,201	895	85,712
179,530	**131,519**	**848,068**
2,573	5,058	9,476
2,573	5,058	9,476
44,225	18,555	316,988
$ 46,798	**$ 23,613**	**$ 326,464**

See accompanying notes to financial statements.

SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds
Year Ended September 30, 2023

	Jupiter Farms Water Control Projects	PBCE Water Control Projects	Total Nonmajor Capital Projects
Revenues:			
Assessments	$ 96,270	$ 112,667	$ 208,937
Intergovernmental	288,850	-	288,850
Investment income	102	97	199
Total revenues	**385,222**	**112,764**	**497,986**
Expenditures:			
Current:			
Physical environment	3,749	4,530	8,279
Capital outlay	525,018	15,267	540,285
Total expenditures	528,767	19,797	548,564
Excess (deficiency) of revenues over (under) expenditures	(143,545)	92,967	(50,578)
Other financing sources (uses):			
Transfers in	43,000	207,500	250,500
Transfers out	-	(63,300)	(63,300)
Total other financing sources (uses)	43,000	144,200	187,200
Net change in fund balance	(100,545)	237,167	136,622
Fund balances, beginning of year	71,832	184,137	255,969
Fund balances, end of year	**$ (28,713)**	**$ 421,304**	**$ 392,591**

See accompanying notes to financial statements.

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SOUTH INDIAN RIVER WATER CONTROL DISTRICT

Other Information – Data Elements Required By Fl Statute 218.39(3)
Year Ended September 30, 2023
Unaudited

Number of district employees compensated at September 30,2023	15
Number of independent contractors compensated in September 2023	4
Employee compensation (paid/accrued) for FYE 9/30/2023	$923,948
Independent contractor compensation for FYE 9/30/2023	$714,260
Construction projects to begin on or after October 1;	
Jupiter Farms LRPI	$353,650
Budget variance report	See pages 39 to 42
Non ad valorem special assessments;	
Special assessment rates FYE 9/30/2023	Operations and maintenance - $15 to $244 Debt service - $300 to $2,815
Special assessments collected FYE 9/30/2023	$5,771,836
Outstanding Bonds/Notes	See Note 6 for details

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REQUIRED REPORTS

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Supervisors
South Indian River Water Control District
Jupiter, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of South Indian River Water Control District, Jupiter, Florida (the "District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated June 3, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

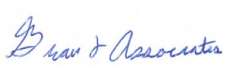
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



June 3, 2024

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Supervisors
South Indian River Water Control District
Jupiter, Florida

We have examined South Indian River Water Control District, Jupiter, Florida's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2023. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of South Indian River Water Control District, Jupiter, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

June 3, 2024

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MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Board of Supervisors
South Indian River Water Control District
Jupiter, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements South Indian River Water Control District, Jupiter, Florida (the "District") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 3, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in G*overnment Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 3, 2024, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

I. Current year findings and recommendations.
II. Status of prior year findings and recommendations.
III. Compliance with the Provisions of the Auditor General of the State of Florida.

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

We wish to thank South Indian River Water Control District, Jupiter, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

June 3, 2024

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

   There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2022.

2. Any recommendations to improve the local governmental entity's financial management.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2023.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2023.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements.

End of Report