

Annual Comprehensive Financial Report



**Fiscal year ended
September 30, 2023**

**St. Johns River Water Management District
A Component Unit of the State of Florida**

ANNUAL COMPREHENSIVE FINANCIAL REPORT



ST. JOHNS RIVER WATER MANAGEMENT DISTRICT

A Component Unit of the State of Florida

Fiscal year ended September 30, 2023

Prepared by
Office of Financial Services

R. Gregory Rockwell, CPA, Finance Director

Melissa "Missy" J. Licourt, CPA, CGFO,
Office of Financial Services Director

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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Annual Comprehensive Financial Report

Introductory Section



Sandhill crane

Letter of Transmittal

GFOA Certificate of Achievement

Organizational Chart Listing Principal Officials

Map of the Geographic Boundaries of the District



St. Johns River Water Management District

Michael A. Register, P.E., Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • 386-329-4500 • www.sjrwmd.com

To: The Residents of the St. Johns River Water Management District

Subject: Annual Comprehensive Financial Report — Fiscal Year (FY) 2022–2023

Date: May 14, 2024

Florida Statutes require an external audit of our financial statement be performed by a firm of independent certified public accountants to express an opinion that the basic financial statements of the St. Johns River Water Management District (District) are fairly presented in conformance with accounting principles generally accepted in the United States (GAAP). Pursuant to this requirement, the Annual Comprehensive Financial Report (ACFR) for the District is hereby issued for the fiscal year ended September 30, 2023.

Responsibility for the integrity, objectivity, accuracy, completeness and fairness of presentation of these basic financial statements rests with management. The basic financial statements were prepared in conformity with generally accepted accounting principles for governmental entities. Management believes the information to be accurate in all material respects and fairly presents the District's financial position and operating results. The report includes disclosures required to provide an understanding of District financial affairs.

Management is responsible for maintaining an internal control structure designed to ensure that District assets are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the expected benefits, and the evaluation of costs and benefits requires management estimates. The District Governing Board and management have a plan of organization and policies in place to safeguard assets, validate the reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies and procedures. District management believes these existing internal accounting controls adequately safeguard assets and provide reasonable, but not absolute, assurance of proper recording and reporting of District finances.

Independent auditors have audited the basic financial statements in accordance with generally accepted auditing standards and included a review of internal accounting controls to the extent necessary to express an opinion on the fairness of these basic financial statements. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended September 30, 2023, are fairly presented in accordance with GAAP. The independent auditors' report is presented as the first component of the financial section (page 2) of this report.

GOVERNING BOARD

Rob Bradley, CHAIR
FLEMING ISLAND

Maryam H. Ghyabi-White, VICE CHAIR
ORMOND BEACH

J. Chris Peterson, SECRETARY
WINTER PARK

Cole Oliver, TREASURER
MERRITT ISLAND

Ryan Atwood
MOUNT DORA

Doug Boumique
VERO BEACH

Douglas Burnett
ST AUGUSTINE

Ron Howse
COCOA

Janet Price
FERNANDINA BEACH

The independent audit of the District's basic financial statements was part of a broader state mandated "Single Audit" designed to meet the special needs of state grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the basic financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of major federal awards and major state financial assistance. These reports are available in the District's separately issued Single Audit Report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The District's MD&A appears on the pages immediately following the independent auditors' report.

District Background

The District is one of five regional water management districts (the districts) created by the Florida Legislature with passage of the Florida Water Resources Act of 1972 (Chapter 373, *Florida Statutes*). The act provides the districts with specific authorities and responsibilities to manage the water resources of the state, while giving oversight of the districts to the Florida Department of Environmental Protection (DEP).

Each district is governed by a nine-member Governing Board appointed by Florida's Governor and confirmed by the Florida Senate. The Governor and Legislature have approval authority over the districts' budgets.

District boundaries are based on natural, hydrologic drainage basins to allow for effective and efficient planning and management. The St. Johns District's boundaries encompass approximately 21 percent of the state's land area with all or part of 18 counties in northeast and east-central Florida, covering a total area of 12,283 square miles. An estimated 5.9 million people (26 percent of the state's population) live within the District's boundaries. There are nine major surface water basins within the District. The most prominent river within the District is the St. Johns, which flows north through its upper, middle, and lower basins. At 310 miles, it is the longest river located entirely in Florida. The District contains 96 documented springs and more than 1,400 lakes. A map showing the geographic boundaries of the District is included on page xix.

Status and Trends

This overview is designed to assist users in assessing the District's current financial condition by providing a discussion of status and trends for economic and demographic factors that impact the District's funding options. The District encompasses a large, diverse geographic, demographic and economic area and is influenced both by statewide and local economic trends and conditions. Primary among those factors are the general real estate market, population changes, and tourism. Both local and statewide trends impact the District's availability of financial resources because the District's funding is a combination of local ad valorem taxes and state appropriations funded by statewide general sales taxes and documentary stamp taxes on real estate transactions. A discussion of selected significant trends follows.

Property Values — The District’s single largest source of revenue is ad valorem (property) taxes. In FY 2022–23, a little less than a third of the District’s total final budget (\$303.3 million) was funded by property taxes (\$95.5 million). The District’s total taxable assessed property values were \$501.1 billion. The Florida housing market soared during the pandemic with Documentary Stamp Tax collections in FY 2020–21 topping the FY 2005–06 peak reached at the height of Florida’s housing boom. This milestone was particularly remarkable considering the prior year (FY 2019–20) registered only 70.8 percent of that level after steadily increasing for 10 years from a low of 26.6 percent. The market environment leading to this result was caused by the record low interest rates arising from the Federal Reserve’s actions to stem the severity of the pandemic’s economic disruption. As rates rose and affordability became increasingly an issue, Documentary Stamp Tax collections began to decline in FY 2022–23 (-27.9 percent). Another decline of 10.6 percent is expected in FY 2023–24 before a modest two-year recovery begins in FY 2024–25 and FY 2025–26 (6.4 percent and 4.3 percent). Thereafter, more typical growth of about 3 percent per year will resume¹.

Housing Starts — Single-family building permit activity, an indicator of new construction, had strong back-to-back growth in both 2012 and 2013 calendar years (over 30 percent in each year). In the 2014 calendar year, there was significant slowing with only 1.6 percent growth over the prior year. Annual activity for calendar years 2015 to 2018 posted double-digit growth in each year. In 2019, activity temporarily slowed to 2.9 percent, but spurred in part by record low interest rates, single family building permit activity was 15.4 percent higher in 2020 and 29.1 percent higher in 2021, relative to the prior year. A decline of 9.7 percent in single-family permitting activity occurred in 2022, which was the first time the series had turned negative since 2009. Single-family starts are expected to see a significant decline in FY 2022–23 (-22.4 percent)¹.

All metrics point to an existing home market that was overheated and is now cooling off. Existing homes sales volume in each of the calendar years from 2014 to 2023 exceeded the 2005 peak year, but sales in the 2023 calendar year slowed, with 10 months posting lower sales than the already subdued prior year and two of them even falling below the 2005 level. The story is different for sales price. Through November 2021, Florida’s existing home price gains roughly tracked national gains, but generally stayed below the national median price. Except for only one month, Florida’s median price was above the national median from December 2021 through December 2023, peaking in February 2023 at 107.3 percent¹.

Unemployment — According to the Office of Economic and Demographic Research, at the onset of the pandemic, employment dropped by almost 1.3 million jobs from February 2020 to April 2020, a decline of 14.1 percent. In December 2023, Florida exceeded the pre-pandemic level by 793,100 jobs, which was a gain of 8.7 percent. Florida’s monthly unemployment rate dropped to 2.7 percent for FY 2022–23, not far from the lowest rate in modern times of 2.4 percent in 2006. The District’s unemployment rate is at 2.9 percent, while Florida’s is also at 2.9 percent, both lower than the national average of 3.5 percent.

Tourism — While all Florida industries were impacted by the pandemic-induced economic contraction, Florida’s leisure and hospitality industry bore the brunt of the longer-term consequences. Florida’s tourism-sensitive economy is particularly vulnerable to the longer-term effects of the pandemic. The total number of tourists declined nearly -70.0 percent from the prior year in the second quarter of 2020. It took two years to reach recovery from this pandemic in domestic visitors and three years in Canadian visitors, while international visitors are still at

depressed levels. Total visitors grew by 39 percent surpassing the pre-pandemic peak by the end of FY 2021–22. After 2.5 percent in FY 2022–23, another strong period of growth is expected in FY 2023–24 of 6.4 percent, after which the annual growth rate moderates from 4.9 percent in FY 2024–25 to 2.9 percent in the latter half of the forecast period¹.

Population — According to the Office of Economic and Demographic Research, Florida is currently the third most populous state, behind California and Texas. Population growth is the state’s primary engine of economic growth, fueling both employment and income growth. For 2023, the state added 358,735 residents (1.61 percent). In the three years since the 2020 census, Florida’s strong migration trends have continued, increasing population by almost 1.1 million net new residents. Between 2023 and 2030, Florida is forecasting growth to average 1.25 percent per year compared to the national average annual growth of .43 percent. As a result of both net migration and natural increase, Florida is forecasted to grow by almost 3.2 million persons between 2020 and 2030. The steady population growth has fueled the housing market growth, which in turn provides the only path for ad valorem revenue growth for the District in recent years¹.

Strategic Planning and Budgeting

The District’s primary long-range planning document, the Strategic Plan, is updated annually to include a five-year strategic budget identifying sources and uses for the District’s operations, capital improvements, and cooperative funding grant program with jurisdictions within the District.

Operating budgets are funded primarily with a combination of ad valorem taxes, other local revenues (permit fees, interest earnings), and state appropriations from general sales taxes and documentary stamp taxes on real estate transactions collected statewide. Current fiscal year resources appropriated for capital spending and cooperative funding grants were bolstered by the availability of significant fund balances accumulated over the period from FY 2004–2005 through FY 2009–2010. These resources (\$143.0 million) are committed by Governing Board resolution to future years’ funding of capital and grant awards over the District’s planning horizon.

As utilization of fund balance continues each year, the availability of remaining committed fund balance will decline, ultimately approaching the minimum targets for Economic Stabilization Reserve and Operating Reserve established by Board policy. The District has accumulated resources over the past many fiscal years and plans to spend down these resources to fund or assist in the development of regionally significant water resource or supply development projects contained in its multi-year project plan.

Capital Improvements

The District proposes to spend \$365.54 million on 60 fixed capital projects during the planning period from FY 2023–24 through FY 2027–28. Total planned capital expenditures in FY 2023–24 is \$134.15 million, which is a 26.8 percent, or \$28.34 million, increase as compared to the adopted CIP budget for FY 2022–23.

¹ http://edr.state.fl.us/content/presentations/economic/FlEconomic&RevenueUpdate_1-22-24.pdf

Significant changes in capital expenditures during the planning period are:

- Excluding land acquisitions, the District is planning for 16 multimillion-dollar capital projects in the planning period. Two projects are in subactivity 2.2.1, which include the Black Creek Water Resource Development Project (\$115.32 million) and Taylor Creek Reservoir Improvements (\$80.23 million). Four projects are in activity 2.3, including the C-10 Water Management Area Project (\$53.5 million), Crane Creek M-1 Canal Flow Restoration (\$15.71 million), Lake Apopka West Marsh Restoration (\$10.7 million), and Lake Jesup Nutrient Reduction and Flow Enhancement (\$16.75 million). One project is included in activity 3.1 for Improvements to Land (\$1.5 million). The remaining nine projects are in activity 3.2, which consist of major and minor water control structure rehabilitation projects in the range of \$1–5 million.
- With the exception of the Black Creek Water Resource Development Project — which, in addition to District funds, is also funded with \$43.34 million in state revenues and \$19.2 million from local sources; the Crane Creek M-1 Canal Project, which is funded with \$4.5 million in federal funds through State Alternative Water Supply (AWS) funding, \$2.45 million from DEP, and \$2.03 from Brevard County; and the C-10 Water Management Area Project, which is funded with \$20.14 million from DEP — the District will primarily rely on District revenues (including fund balances and ad valorem revenues) to fund capital projects.

Among the activities and subactivities that have capital expenditures, Water Resource Development Projects account for 53.5 percent of the total and Surface Water Projects account for 27 percent of the total. Works ranks third at 9.3 percent while Land Acquisition accounts for 8.5 percent of the total. Facilities Management accounts for 1 percent of the total anticipated expenditures. Finally, Land Management accounts for 0.7 percent of the total expenditures during the planning period.

The District is currently working on multiple Capital Improvement projects. Table 1.1 on page x reports the top eight projects, along with start and end dates, past and future expenditures, and a description of how each project is beneficial to the District’s core missions.

Cooperative Funding

Cooperative grants have a one-to-three-year life cycle that results in an accumulation of a catalog of construction projects in various stages of completion requiring an expanded use of fund balance. With that growing catalog, the District has established controls to ensure that currently available resources are set aside upon award to honor future years’ cooperative funding commitments. Table 1.2 on page xii reports the top 10 cooperative funded projects ranked by total expenditures for FY 2022–2023. Table 1.3 on page xiv reports the top 10 cooperative funded projects ranked by total project cost from all contributors along with estimated completion dates for FY 2022–2023.

Debt Management

The District is completely debt free and does not plan to incur any new debt in the foreseeable future.

St. Johns River Water Management District, Florida
Table 1.1 - Top Eight Capital Improvement Projects by Expenditure
For the Year Ended September 30, 2023

Rank	Project Name	Project Description
1	Black Creek Water Resource Development Project	The Black Creek Water Resource Development Project, will help to replenish the Upper Floridan aquifer (UFA) in northeast Florida using flow from the South Fork of Black Creek, in Clay County, during high water periods and flood events. Water will be pumped through a transmission system toward the Keystone Heights area and is expected to contribute to the MFLs recovery in the Lower Santa Fe Basin and may help improve water levels in the lakes in the Alligator Creek system, including lakes Brooklyn and Geneva.
2	Crane Creek M-1 Canal Flow Restoration	This project will restore M-1 Canal baseflows and back west to the Upper St. Johns River Basin (USJRB) by constructing an operable weir in the M-1 Canal. Restored flows will be treated in a stormwater treatment area for nutrient reduction prior to pumping into the USJRB and eventually the St. Johns River where it can be used as an alternative water supply.
3	Lake Apopka Wildlife Drive Levee Improvements	The Lake Apopka North Shore offers extraordinary birdwatching opportunities. The Lake Apopka North Shore is considered one of the most renowned birding destinations in Florida, with 377 different bird species recorded on the property. The Wildlife Drive is a one-way, 11-mile roadway meandering through the eastern portion of the property. This drive also serves as a primary levee to separate various phases of water within Lake Apopka North Shore for water treatment and storage. Over time, the slopes along the Wildlife Drive have degraded and sloughed into the canal, reducing the levee slopes to less than 2:1 in some areas. This work will repair and stabilize the levee slopes. In addition, project levees associated with water treatment and storage that have also degraded will be repaired.
4	Lake Apopka Unit 2 Pump Station Rehabilitation	This pump station has not been rehabilitated since its initial installation more than 40 years ago. This project will also convert the existing diesel power units to electric motors for increased efficiency and effectiveness. The proposed rehabilitation will minimize future repairs and allow the system to operate more efficiently.
5	L-77W Levee Regrading	The L-77W levee is experiencing erosion due to several factors, such as wave action from boat traffic, fetch across large open water areas, lack of vegetation and roots for stabilization, mechanical and chemical maintenance on levees, and potentially, invasive fish species that create burrows in levees. Approximately 1.7 miles of the L-77W levee has experienced erosion and needs to be regraded to stabilize the levee system.
6	Lake Apopka Beauclair Canal Levee	The Lake Apopka Beauclair Canal levee was constructed over 100 years ago in conjunction with the excavation of the Apopka Beauclair (AB) Canal. This levee had multiple penetrations of culverts and pipes. Additionally, there may be unknown penetrations, some intentional (non-visible pipes) and some unintentional (piping through the soils). These penetrations and other AB Canal levee stability/permeability issues must be addressed in order to manage water levels in the west marsh of the Lake Apopka North Shore for water quality and flood protection.
7	Airboat Crossing Rehabilitation	The District has many wooden airboat crossings that are showing signs of deterioration. This project replaces the older airboat crossings with new wooden/composite decking. If not repaired, airboats may incur damage when crossing or if the operator of the airboat chooses to bypass the crossing, damage may occur to the adjacent levee.
8	Install Manatee Barriers / Detection Systems	Manatees have been identified in UORB from the confluence with the St. Johns River south through Lake Griffin and ultimately into Lake Apopka. The District operates major locks and dams in this region and it's the District's intentions to provide manatee barriers upstream of the Moss Bluff and Apopka dams and provide manatee detection system within the Moss Bluff, Burrell, and Apopka locks as a critical component of protecting the manatees that navigate in the area.

Rank	Total Expended in FY 2022-23	Total Expended Life to Date	Estimated Total Project Amount	Project Start Date	Estimated Completion Date
1	25,486,185	31,695,253	118,685,333	July 2017	February 2026
2	5,530,566	8,087,393	23,600,000	Jan 2018	May 2025
3	450,985	450,985	844,883	Jan 2023	Jun 2024
4	394,550	721,730	721,730	Feb 2022	June 2023
5	324,396	324,396	324,396	Jan 2023	Sep 2023
6	201,964	233,354	516,390	May 2023	Mar 2024
7	177,071	258,351	265,751	Jun 2022	Sept 2023
8	166,929	166,929	396,240	May 2023	Dec 2023
	\$ 32,732,646	\$ 41,938,391	\$ 145,354,723		

St. Johns River Water Management District, Florida
Table 1.2 - Top Ten Cooperative Funded Projects by FY23 Expenditure
For the Year Ended September 30, 2023

Rank	Project Name	Project Description
1	JEA US 1 - Greenland Water Reclamation Facility to County Road 210 Reclaimed Water Main	The project includes installation of a reclaimed water main along US Route 1 to serve the Nocatee and Twin Creeks areas.
2	Orange County Wekiwa Springs Septic Tank Retrofit Project Phase 1	Convert 213 septic tanks to sewer.
3	Lake Apopka Innovative Total Phosphorus Removal	Utilize an innovative treatment technology, and the SJRWMD will pay a pre-negotiated rate for each pound of TP removed from Lake Apopka's water column.
4	Town of Oak Hill Indian Harbor Estates Sewer Retrofit	Two-hundred and eighty (280) homes adjacent to the IRL will abandon septic tanks and connect to 10,600 LF of sewer line.
5	City of Mascotte Lower Floridan Aquifer Wellfield - South Lake County Wellfield Project	This project consists of drilling two Lower Floridan aquifer wells at the existing Upper Floridan aquifer wellfield to shift groundwater withdrawal from the Upper to the Lower Floridan aquifer for the City.
6	Indian River County - North Sebastian Septic-to-Sewer Project Phase 2	The project will construct a gravity sewer system to service an area (180 parcels) in the North Sebastian area that has a mixed residential and non-residential properties on septic.
7	City of Orange City for Volusia Blue Spring Septic-to-Sewer Program	The project includes building 2 lift stations with collection systems and connecting 27 septic tanks in the springshed and Priority Focus Area of Volusia Blue Spring.
8	Doctors Lake Advanced Effluent Treatment - Fleming Island Wastewater Treatment Facility	A full scale demonstration project to remove Total Phosphorus (TP) from the Doctors Lake wastewater treatment plant effluent.
9	JEA Demand-Side Management Water Conservation Program	Implementation of a comprehensive Water conservation program that will provide useful benefits to reduce water demand for existing groundwater/reclaimed water.
10	City of Jacksonville McCoy's Creek Improvements	This project will restore aspects of the creek's natural systems by enhancing natural creek flow and natural flood plain, removing two bridges, raising two bridges above the 100 year flood stage, and opening the mouth of McCoy's Creek.

Rank	District Total Expended in FY 2022-23	Cooperative Total Expended in FY 2022-23	District Total Expended Life to Date	Cooperative Total Expended Life to Date	District Estimated Total Project Amount	Cooperative Estimated Total Project Amount	Project Start Date	Estimated Compl. Date
1	\$ 750,000	\$ 5,525,359	\$ 750,000	\$ 5,525,359	\$ 3,000,000	\$ 21,484,282	May 2023	Sept 2024
2	661,292	2,933,825	1,141,066	4,300,000	1,141,066	6,758,878	Oct 2020	Sept 2023
3	378,490	2,876,443	387,729	5,650,000	2,025,000	5,650,000	Jan 2019	Jun 2024
4	-	1,609,671	-	2,500,000	-	4,720,702	May 2021	Sep 2023
5	-	1,383,759	-	1,512,279	364,392	4,500,000	Apr 2021	Mar 2024
6	588,889	588,888	673,259	673,258	673,259	3,418,453	Jan 2021	Sep 2023
7	211,972	894,500	211,972	894,500	447,000	1,343,000	Sep 2022	Sep 2024
8	277,090	766,990	425,014	2,848,072	825,000	4,250,000	Jan 2019	Jan 2026
9	-	983,453	-	983,453	-	10,950,145	Sep 2023	Sep 2024
10	928,468	-	1,135,155	-	1,500,000	16,002,917	Sep 2019	Jun 2025
\$ 3,796,202 \$ 17,562,888 \$ 4,724,195 \$ 24,886,920 \$ 9,975,717 \$ 79,078,376								

St. Johns River Water Management District, Florida
Table 1.3 - Top Ten Cooperative Projects by Total Project
For the Year Ended September 30, 2023

Rank	Project Name	Project Description
1	Taylor Creek Reservoir Improvements	The project involves raising and improving L-73 Section 1 (L-73) and modifying the operating schedule to help increase alternative water supply availability. Subsequent phases involve the water supply entities constructing water treatment and transmission mains, including a raw water intake.
2	City of Bunnell Wastewater Treatment Facility Improvements	The project includes improvement of the City's current wastewater treatment plant from an Alternating Anaerobic Double Filtration process to an Advanced Wastewater Treatment (AWT) process.
3	JEA US 1 — Greenland Water Reclamation Facility to County Road 210 Reclaimed Water Main	The project includes installation of a reclaimed water main along US Route 1 to serve the Nocatee and Twin Creeks areas.
4	City of Jacksonville McCoys Creek Improvements	This project will restore aspects of the creek's natural systems by enhancing natural creek flow and natural flood plain, removing two bridges, raising two bridges above the 100 year flood stage, and opening the mouth of McCoys Creek.
5	Dispersed Water Storage / Nutrient Reduction Pilot Project with Fellsmere Joint Venture	Create a reservoir for retention of stormwater in the Fellsmere Water Management Area to store up to 18 mgd of water and reduce excess freshwater flows and nutrients from being released to the Indian River Lagoon.
6	City of Deltona Alexander Avenue Water Resources Facility Project 4B	Construct a pump station and transmission main with associated infrastructure to provide surface water from Lake Monroe to the Alexander Avenue Water Resources Facility for reclaimed water supplementation and recharge projects.
7	City of Titusville Osprey Water Reclamation Nutrient Removal Upgrade	Construction of biological, chemical and physical process upgrades to the water reclamation facility.
8	JEA Demand-Side Management Water Conservation Program	Implementation of a comprehensive Water conservation program that will provide useful benefits to reduce water demand for existing groundwater/reclaimed water.
9	Orange County Wekiwa Springs Septic Tank Retrofit Project Phase 2	Abandonment of 154 septic tanks and connection to central sewer.
10	South Florida Water Management District Indian River Lagoon Cost-Share	South Florida Water Management District's portion of the Indian River Lagoon Appropriation.

Rank	Total Expended in FY 2022-23	District Total Expended to Date	Total District Funding	Total State Funding	Total Federal Funding	Total Cooperator Funding	Project Total including all contributors	Project Start Date	Estimated Completion Date
1	161,251	370,245	89,615,000	-	-	-	89,615,000	Aug 2023	Mar 2024
2	592	592	500,000	-	-	24,089,712	24,589,712	Oct 2022	May 2024
3	6,275,359	750,000	3,000,000	-	7,706,898	13,777,384	24,484,282	May 2023	Sept 2024
4	928,468	1,135,155	1,500,000	-	-	16,002,917	17,502,917	Sep 2019	Jun 2025
5	60,426	377,884	16,400,000	-	-	-	16,400,000	Sep 2016	Sep 2034
6	348,188	-	1,500,000	3,379,000	-	10,159,652	15,038,652	Jan 2020	Sept 2024
7	240,900	675,000	675,000	675,000	-	9,680,174	11,030,174	Oct 2020	Jun 2023
8	983,453	-	-	3,000,000	-	7,950,145	10,950,145	Sep 2023	Sep 2024
9	681,718	681,718	1,721,784		-	7,005,351	8,727,135	Oct 2021	Sept 2023
10	875,540	-	-	8,303,928	-	-	8,303,928	Mar 2020	TBD

Fiscal Sustainability and Financial Policies

The District continues to focus its budget development practices on implementing a sustainable, transparent business model that ensures the adequacy of future service delivery. Key elements of the District's sustainable model include:

1. Current period revenues are sufficient to provide current period services.
2. Operating estimates and assumptions for both revenues and expenses are realistic and conservative based on long-term trends and recent results.
3. District-sourced revenues are adequate to fund operations and contribute to vital capital and cooperative funding programs.

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report for the fiscal year that ended September 30, 2022. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

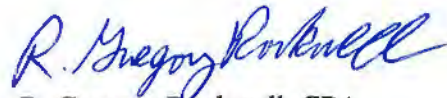
A Certificate of Achievement is valid for one year only. Management believes that the current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another certificate.

This report is the result of the collaborative work of numerous District employees, including the Office of Financial Services, Office of Strategic Communications and Engagement, and Division of Infrastructure and Land Resources.

Respectfully submitted,



Melissa "Missy" J. Licourt, CPA, CGFO
Office Director, Office of Financial Services



R. Gregory Rockwell, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**St. Johns River Water Management District
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

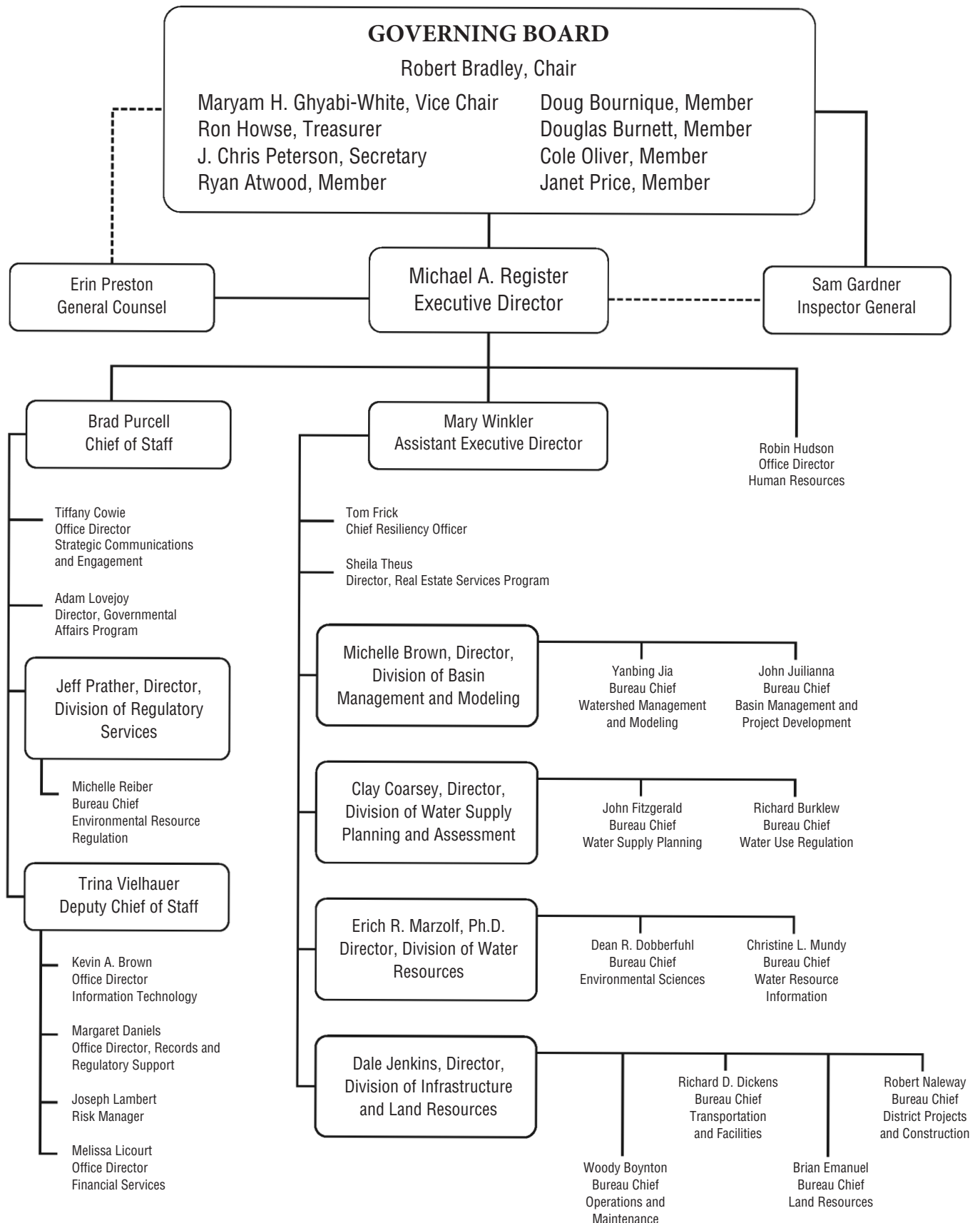
September 30, 2022

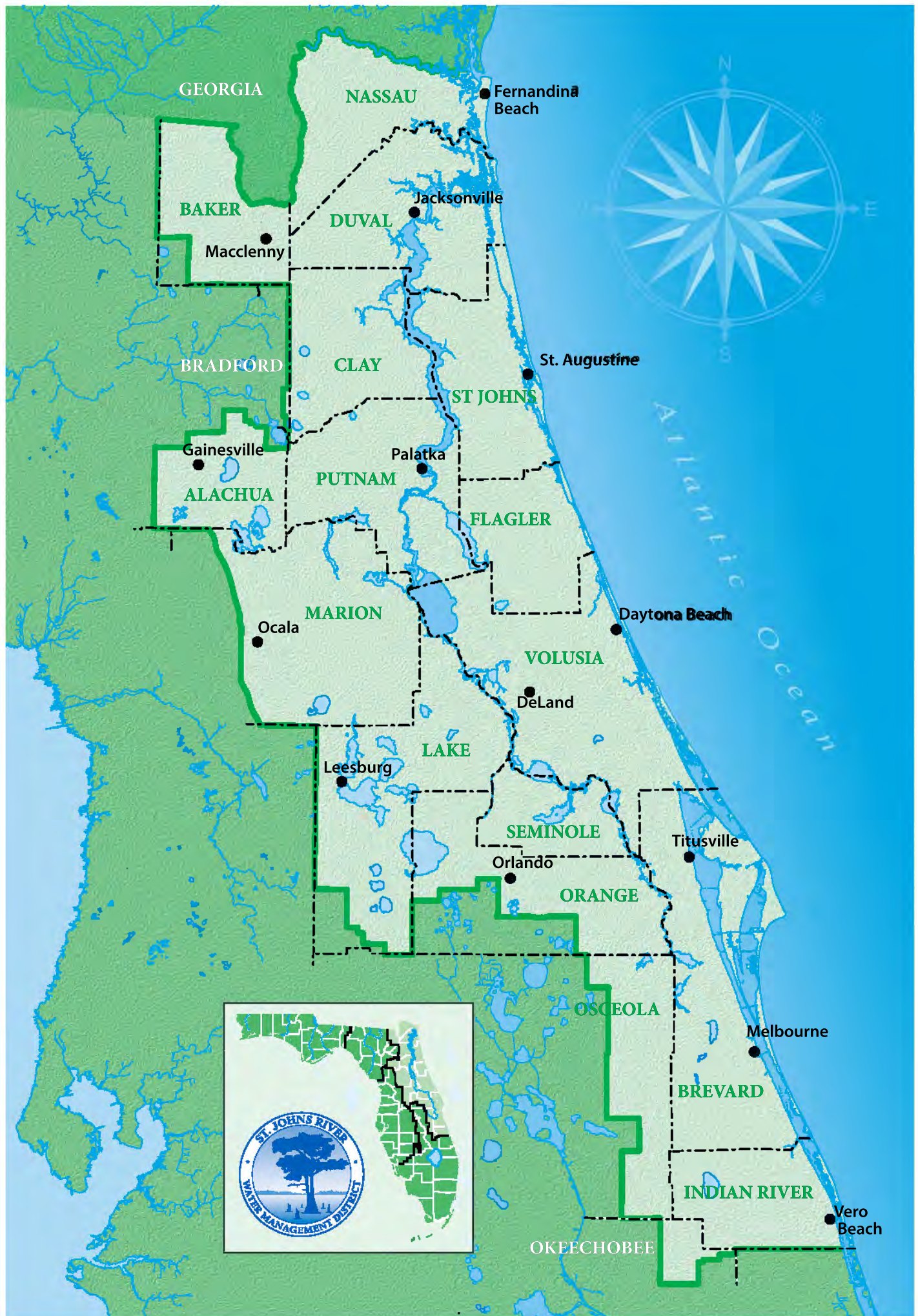
Christopher P. Morill

Executive Director/CEO

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT ORGANIZATIONAL CHART LISTING PRINCIPAL OFFICIALS

As of Sept. 30, 2023





Annual Comprehensive Financial Report

Financial Section



Florida Red-bellied turtle

Independent Auditors' Report
**Management's Discussion
and Analysis (MD&A) (Unaudited)**
Basic Financial Statements
Notes to the Financial Statements
Required Supplementary Information
Other Than MD&A (Unaudited)
Notes to Budgetary Comparison Schedules
Other Supplementary Information



Lake Monroe Conservation Area

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

To the Honorable Board of Governors of
St. Johns River Water Management District:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the St. Johns River Water Management District (the District), a component unit of the State of Florida, as of and for the 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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

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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 and GAS, 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 the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 other supplementary information and schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Section 215.97, Florida Statutes, *Florida Single Audit Act*; and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, as listed in the

table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

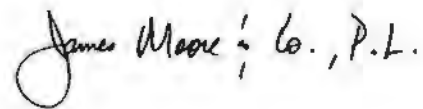
The other supplementary information and the schedule of expenditures of federal awards and state financial assistance is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 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, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Johns River Water Management 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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Daytona Beach, Florida
April 25, 2024



Lake Norris Conservation Area

Management's Discussion and Analysis (MD&A) (Unaudited)

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Management's Discussion and Analysis (MD&A) is designed to provide insight into the St. Johns River Water Management District's (District's) financial reporting and includes an overview of the statements presented, explaining the information provided by each and their relationship to other statements. This discussion also focuses on significant financial issues and explains material changes in the District's financial position; addresses significant deviations from the District's financial plan (the approved budget); and identifies the highlights and concerns relative to individual funds.

The information contained within the MD&A focuses on the current year's activities and is specifically designed to assist the reader in assessing whether the District's financial position has improved or declined. This discussion should be considered as only a part of the District's reporting. It should be read and evaluated in conjunction with all of the other sections of this report.

FINANCIAL HIGHLIGHTS

The following financial highlights are explained in greater detail under subsequent headings in this discussion:

- Total assets and deferred outflows exceeded total liabilities and deferred inflows by \$1.4 billion, as of September 30, 2023, primarily the result of significant ownership of non-depreciable assets in the form of land (\$839.1 million) and easements (\$244.2 million) owned by the District. Net position increased \$59.9 million, or 4.4 percent, this year compared to a \$28.8 million, or 2.2 percent, increase the prior year.
- Total fund balance increased \$22.0 million, or 13.6 percent, from the previous fiscal year, primarily from increases in ad valorem property tax revenue and investment earnings, as well as from proceeds from sale of land. A further breakdown of fund balance changes by individual funds is discussed in the Financial Analysis of the Government's Funds section.
 - The District has accumulated resources over the past fiscal years and plans to spend down those resources to fund or assist in the development of regionally significant water resource or supply development projects contained in its multi-year project plan.
- The District's cooperative funding/cost-share program expended \$36.5 million to its partners; cities, counties, water utilities, farmers/ranchers and other water quality/conservation entities to maximize efforts in support of the District's mission.
- The District continues to have no bonded debt.

OVERVIEW OF THE 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.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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 financial statements of the private sector.

The statement of net position presents information on all of the District's assets (both short-term spendable resources and capital assets) and liabilities (including long-term obligations), with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or declining.

The statement of activities presents information to show how the District'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.

Both of the government-wide financial statements present functions of the District (governmental activities) that are primarily supported by property taxes and intergovernmental revenues (operating grants and contributions from the state of Florida). The governmental activities of the District include water resources planning and monitoring; acquisition, restoration, and public works; operation and maintenance of lands and works; regulation; outreach; and District management and administration. The government-wide financial statements include only the District. There are no component units for which the District is financially accountable. The government-wide financial statements can be found on pages 17–19 of this report.

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, as with other governmental bodies, uses fund accounting to demonstrate compliance with finance related legal requirements.

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

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

maintained three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Special Revenue Fund and Capital Projects Fund.

The District adopts annual budgets for all governmental funds. Budgetary comparison schedules are provided that include the original and final adopted budgets as well as the final actual results of operations for the General Fund and Special Revenue Fund to demonstrate compliance with these budgets. The budgetary comparison schedules for the General Fund and Special Revenue Fund are being reported as Required Supplementary Information and are presented after the Notes to the Financial Statements beginning on page 70. The budgetary comparison schedule for the Capital Projects Fund is presented in the Other Supplementary Section on page 90.

Governmental fund budgets are prepared by using the modified accrual basis and therefore include estimated revenues that are deemed both measurable and available, with only those appropriations that represent the current year's fund liability. The District considers estimated revenues available if they are anticipated to be earned during the budget period and collected during or within 60 days after the close of the fiscal year, or within one year for reimbursable grants.

The adopted budgets for the General Fund, Special Revenue Fund and the Capital Projects Fund include re-appropriated encumbrances of unspent balances (\$121.0 million) of previously approved appropriations and the related source of funds anticipated to be used to fund those appropriations. The basic governmental fund financial statements can be found on pages 20–22 of this report.

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 on pages 26–67 of this report.

Additional information — Additional information about the District may be found within the Statistical sections, Other Reports, and the transmittal letter to the residents.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, changes in the District's net position serve as one useful measure of the District's financial condition. The following condensed comparisons show how the District's net position changed from the end of the fiscal year (FY) 2022–23. The overall condition of the District improved in FY 2022–23.

The District has accumulated financial resources since the height of the housing bubble that began in FY 2005–06. The District has had a fund balance spend down plan to utilize those financial resources to fund or assist in the development of regionally significant water resource or supply development projects. The COVID pandemic slowed this spend down plan.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

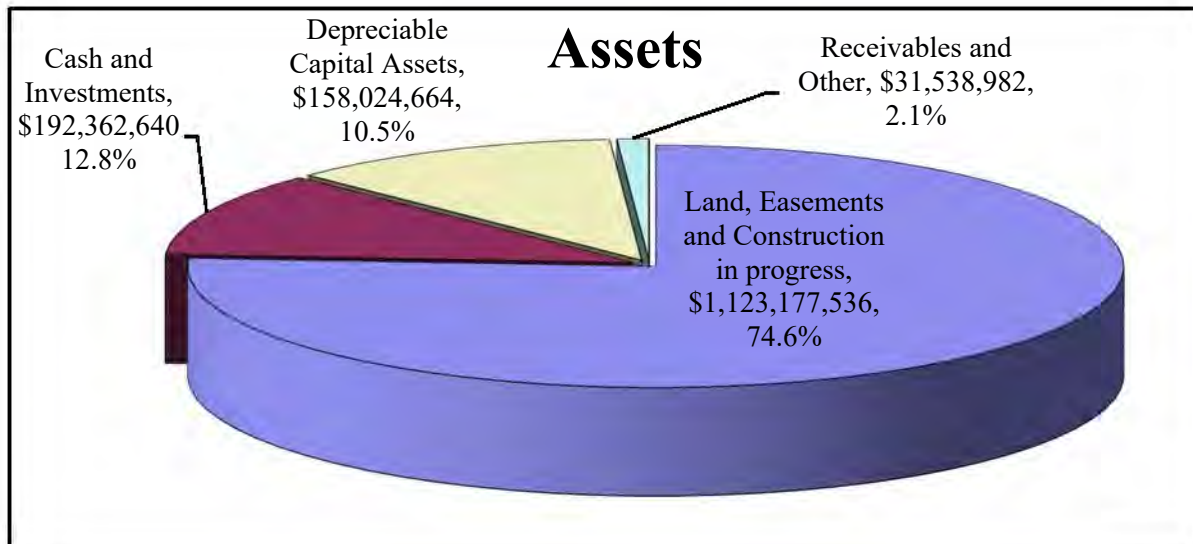
The District's General Fund fund balance increased \$15.1 million in FY 2022–23 to a total of \$151,777,021, primarily as a result of a year-over-year reduction in fixed and operating capital outlay expenditures of \$2.1 million and \$0.2, respectively. Additionally, investment earnings increased \$12.4 million and ad valorem property tax revenues increased \$2.1 million.

DISTRICT'S NET POSITION

	2023	2022
Current and other assets	\$ 223,901,622	\$ 194,243,701
Capital assets, net	1,281,202,200	1,236,661,031
Total assets	<u>1,505,103,822</u>	<u>1,430,904,732</u>
Deferred outflows	8,284,889	8,809,986
Long-term liabilities outstanding	52,273,702	45,059,963
Other liabilities	38,291,275	30,397,407
Total liabilities	<u>90,564,977</u>	<u>75,457,370</u>
Deferred inflows	6,114,974	7,474,960
Net Position: Net investment in capital assets	1,278,520,056	1,236,661,031
Restricted	16,794,456	16,920,572
Unrestricted	121,394,248	103,200,785
Total net position	<u>\$ 1,416,708,760</u>	<u>\$ 1,356,782,388</u>

The District's total net position increased by \$59.9 million, or 4.4 percent, and the cash and investment position increased \$17.1 million, or 9.7 percent, as a result of a \$12.5 million increase in unrestricted investment earnings coupled with a \$2.4 million increase in ad valorem (property tax) revenues offset by a decrease in cash in escrow with Florida Department of Financial Services as Escrow Agents for the Black Creek Water Resource Development Project of \$3.1 million.

Unrestricted net position increased \$18.2 million due to operating expenditure decreases and revenue increases. Long-term liabilities outstanding increased \$7.2 million due to an increase in the FRS and HIS net pension liability of \$6.5 million. Capital assets increased \$44.5 million from increased infrastructure project capital expenditures as outlined later in the capital asset section.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

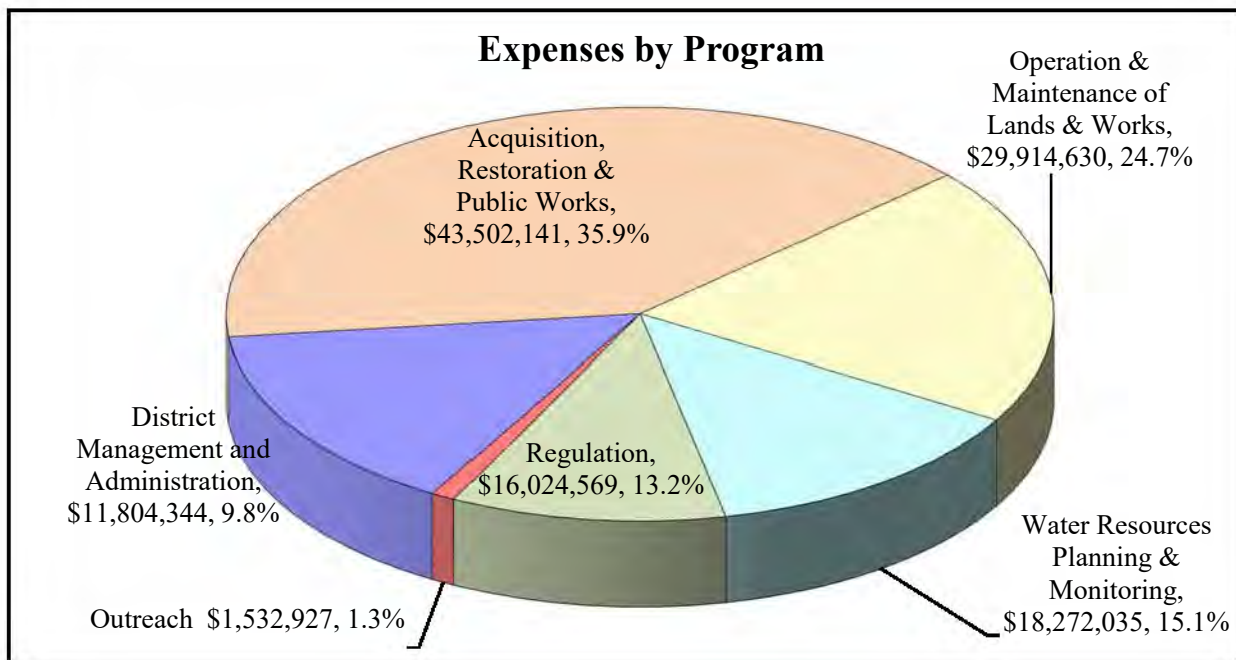
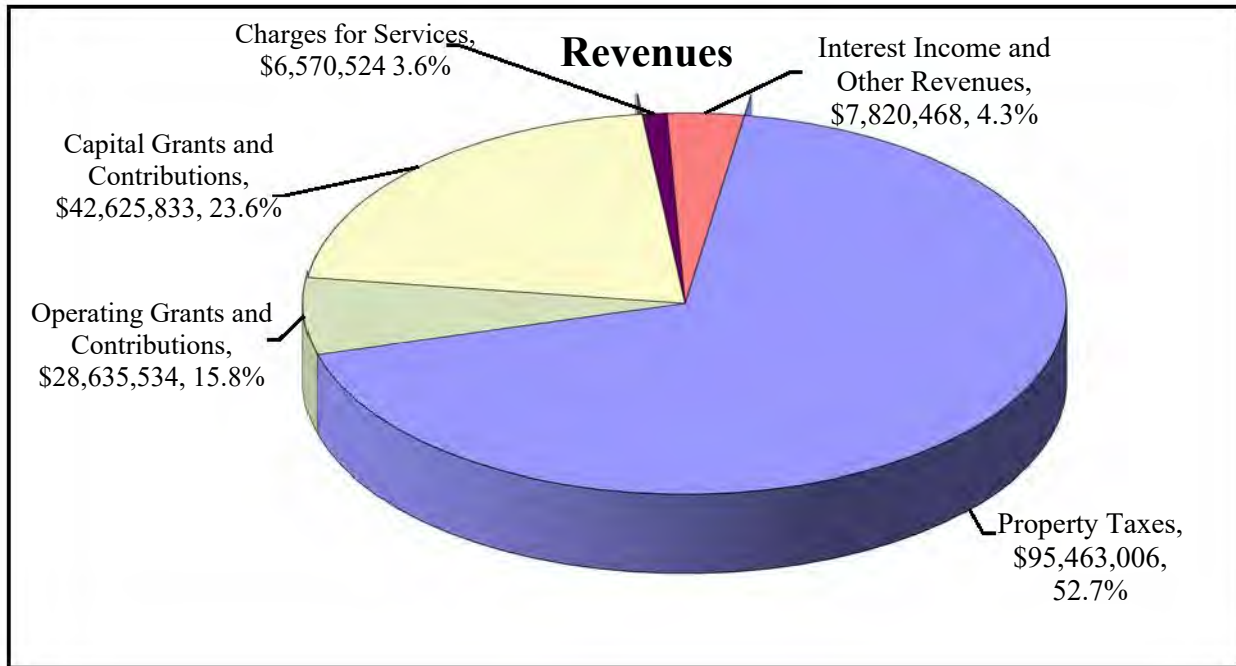
DISTRICT'S CHANGE IN NET POSITION

	2023	2022
Revenues		
Program revenues: Charges for services	\$ 6,570,524	\$ 5,262,312
Operating grants and contributions	28,635,534	29,261,630
Capital grants and contributions	42,625,833	11,736,201
General revenues:		
Ad valorem (property taxes)	95,463,006	93,043,309
Unrestricted investment earnings	6,823,209	(5,706,697)
Other revenue	997,259	122,442
Total revenues	<u>181,115,365</u>	<u>133,719,197</u>
Expenses		
Water resources planning and monitoring	18,272,035	14,190,232
Acquisition, restoration and public works	43,502,141	40,122,011
Operation and maintenance of lands and works	29,914,630	27,108,537
Regulation	16,024,569	12,312,244
Outreach	1,532,927	1,124,482
District management and administration	11,804,344	10,013,220
Debt service – lease	138,347	73,545
Total expenses	<u>121,188,993</u>	<u>104,944,721</u>
Increase(decrease) in net position	<u>59,926,372</u>	<u>28,774,926</u>
Net position , beginning of the year	<u>1,356,782,88</u>	<u>1,328,007,462</u>
Net position , end of the year	<u><u>\$ 1,416,708,760</u></u>	<u><u>\$ 1,356,782,388</u></u>

Total revenues increased by 35.4 percent, or \$47.4 million, from the previous year. The increase is primarily attributable to the \$30.9 million, increase in capital grants resulting from an increase in state and local source funded cooperative funding projects and a \$12.5 million dollar increase in investment earnings. State and local sources funded projects included a \$24.6 million increase over the prior year for Black Creek Water Resource Development Project and Crane Creek M-1 Canal Flow Restoration. The increase is due to a \$12.5 million increase in unrestricted investment earnings coupled with a \$2.4 million increase in ad valorem property taxes and \$1.3 million in charges for services pertaining to lease and timber revenue offset by a \$0.6 decrease in operating grants and contributions.

Total expenses increased 15.5 percent, or \$16.2 million, compared to the previous year. The 8.4 percent, or \$3.4 million, increase in acquisition, restoration and public works is primarily the result of the increase of \$4.5 million for the JEA U.S. 1 Greenland Water Reclamation Facility Cost-Share and \$2.9 million increase for the Orange County Wekiwa Springs Septic Tank Retrofit. The District's cooperative/cost-share funding program assists local governments, agricultural interests and other entities in creating sustainable water resources, provide flood protection and enhance water conservation efforts. The cooperative funding expenditure category is the largest budget category with a \$136.9 million original budget in FY 2022–23 and \$138.0 million budgeted in FY 2023–24. Fixed capital outlay increased \$20.1 million, primarily due to projects, including Black Creek Water Resource Development Project and Crane Creek M-1 Canal Flow Restoration.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the District. As of September 30, 2023, total fund balance was \$151.8 million, of which \$0.8 million was represented by inventory on hand and other non-spendable assets; \$143.0 million was committed by action of the Governing Board for identified future capital needs; and \$2.5 million was assigned by executive management for specific purposes.

The fund balance of all of the District’s funds increased by \$22.0 million. Key factors explaining the changes in the General Fund and individual major funds include:

- General Fund balance increased by \$15.1 million primarily due to an increase of \$2.4 million in ad valorem (property tax) collections and an increase of \$12.4 million in investment earnings.
- The Special Revenue Fund balance increased \$2.0 million primarily as a result of the District receiving a total of \$1.3 million for the sale of lands, including the Heart Island Conservation Area – SR40 Expansion, \$0.3 million for investment earnings and \$2.6 million for lease and timber sales. A total of \$0.4 million was expended on alternative water supply projects for the City of Deltona and Clay County Utility Authority from restricted fund balance.
- The Capital Projects Fund balance increased by \$5.0 million due to an increase in transfers from the general fund balance for the Black Creek Water Resource Development Project, Crane Creek M-1 Canal Flow Restoration and future infrastructure improvement projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

In accordance with *Florida Statutes* 373.536(4)(c), the budget of the District may be amended after the adoption of the final budget, following review and approval by the Executive Office of the Governor. During FY 2022–2023, there was one amendment to the budget totaling \$7.0 million attributed to the Indian River Lagoon Stormwater cost-share project.

Total Governmental fund revenues increased \$42.0 million and total expenditures increased \$25.2 million. State grant revenue increased \$10.6 million primarily due to increased expenditures on grant funding for cooperative funding projects of over \$0.6 and fixed capital outlay of \$20.1 million. General Fund total revenues increased \$15.5 million primarily from an increase of \$12.4 million in investment earnings due to the interest rate decreases that drastically increased the

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

District's long-term investments coupled by a \$2.4 million increase in ad valorem revenues associated with new growth from construction offset by an decrease of \$0.3 million in licenses and permits revenues.

The \$25.2 increase in total expenditures can be attributed to an increase of \$22.7 million in acquisition, restoration and public works for the Black Creek Water Resource Development Project and Crane Creek Canal Flow Restoration. Water Resources Planning and Monitoring increased \$2.2 million primarily due to increases in water well construction and hydrologic monitoring.

The District's General Fund spent a total of \$42.0 million less than budgeted expenditures in all spending categories in FY 2022–23 primarily due to spending decreases in long-term cooperative funding construction projects. The largest budget variance of \$30.5 million was in the acquisition, restoration and public works category, second largest of \$3.8 million was in the water resources planning and monitoring and third largest of \$3.5 million was in the regulation category.

The \$30.5 million positive budget variance in the acquisition, restoration and public works category is primarily the result of unspent grants and aids of \$25.7 million to local governments (cost-share and cooperative funding) and unspent fixed capital outlay of \$1.9 million. The unspent budgets of the management and administration, water resources planning and monitoring and regulation categories are primarily from decreases due to strategic cuts in operating and administrative costs. The historical trend of positive General Fund budget variances continued for FY 2022–23, with the current year's 66.2 percent utilization of appropriations, which is lower than historical rates.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets — The District's investment in capital assets for its governmental activities as of September 30, 2023, amounted to \$1.3 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems improvements, machinery and equipment, public access facilities, levees, canals, water control structures, and bridges. Major capital asset additions occurred during FY 2022–23 valued at \$64 million with additions to machinery and equipment of \$1.8 million, infrastructure of \$6.7 million, easements of \$14.7 million, buildings of \$0.3 million and land of \$0.5 million and construction in progress of \$39.2 million.

The District's capital asset increase in infrastructure is mainly from construction expenditures on the following projects: Black Creek Water Resource Development Project of \$25.5 million, Crane Creek M-1 Canal Flow Restoration of \$5.5 million, Lake Apopka Wildlife Drive Levee Improvements of \$0.5 million, Lake Apopka Unit 2 Pump Station Rehabilitation of \$0.7 million, L-77W Levee Regrading of \$0.2 million, Lake Apopka Beauclair Canal Levee of \$0.2 million, Install Manatee Barriers / Detection Systems of \$0.2 million and Airboat Crossing Rehabilitation of \$0.1 million. The District received \$12.4 million of donated conservation easements through the permitting process. The District purchased the following properties: Orange Creek Restoration Area property of \$0.3 million and Sebastian Storm Water Park property \$0.07 million. Additional information on the District's capital assets can be found in note 4 on pages 42-43 of this report.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Long-term Obligations — The District no longer has any outstanding debt and has no capacity to issue more as the state of Florida must approve and fund the annual payment of any new debt. The District's remaining long-term obligations include: \$42.1 million in net pension liabilities, \$4.5 million in compensated absences for vested leave balances earned by employees, \$3.7 million for other post-employment benefits, \$2.1 million for GASB 87 right-to-use lease liability and \$0.6 for GASB 96 subscription-based information technology arrangements (SBITAs). Additional information on the District's long-term obligations can be found in note 10 on page 52 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's primary revenue sources are ad valorem (property taxes) and state grants derived from documentary stamp taxes. Economic factors that may influence future budgets are discussed below.

The millage rate for the fiscal year decreased 9.8 percent from 0.2189 mills in FY 2021–22 to 0.1974 mills in FY 2022–23. The FY 2023–24 millage rate decreased 9.2 percent to 0.1793 mills. Current estimates indicate that taxable values on existing properties in the 18 counties covered by the District have stabilized and are estimated to increase slightly by 1–2 percent annually. Level or lower millage rates, when combined with the stabilization of existing taxable values and nominal growth in taxable values attributable to new construction and assessed property appreciation, provide a basis for a projected slow recovery in property tax revenues for the District in future periods. Documentary stamp tax collections assessed on real estate transactions statewide are the primary revenue source for the state in providing funding to the District while sales tax collections are secondary.

Residential and commercial construction have recovered, along with overall improved economic indicators both statewide and districtwide, bringing with it an expected growth in ad valorem (property tax) revenues, documentary stamp tax and sales tax collections. The District has accumulated resources over the past many fiscal years and plans to spend down those resources to fund or assist in the development of regionally significant water resource or supply development projects contained in its multi-year capital and cooperative funding plan.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances. Questions about any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Office of Financial Services, St. Johns River Water Management District, 4049 Reid Street, Palatka, FL 32177.



Pellicer Creek Conservation Area

Basic Financial Statements

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 126,474
Cash in escrow and with fiscal agents	6,542,815
Investments	185,693,351
Interest, lease and other receivables	2,897,403
Inventories	732,603
Intergovernmental receivables	27,829,853
Prepaid items	79,123
Non-depreciable capital assets:	
Land	839,130,286
Easements	244,216,341
Construction in progress	39,830,909
Depreciable and amortizable capital assets:	
Buildings	41,001,775
Right to use buildings	2,145,820
Infrastructure	243,092,368
Machinery and equipment	29,533,193
Software	4,409,490
Subscription-based IT arrangements	797,543
Accumulated depreciation and amortization	(162,955,525)
Total assets	<u>1,505,103,822</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pensions/ OPEB	<u>8,284,889</u>
LIABILITIES	
Accounts payable and other current liabilities	30,314,424
Unearned revenue	7,271,789
Long-term liabilities:	
Due within one year	705,062
Due in more than one year	52,273,702
Total liabilities	<u>90,564,977</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pensions/ OPEB/ leases	<u>6,114,974</u>
NET POSITION	
Net investment in capital assets	1,278,520,056
Restricted for:	
Water protection and sustainability/alternative water supply	2,046,370
Land management/acquisition	14,748,086
Unrestricted	121,394,248
Total net position	<u><u>\$ 1,416,708,760</u></u>

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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Function / Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities			
Water resources planning and monitoring	\$ 18,272,035	\$ -	\$ 1,117,077
Acquisition, restoration, and public works	43,502,141	1,297,623	25,367,376
Operation and maintenance of lands and works	29,914,630	2,650,643	2,133,413
Regulation	16,024,569	2,622,258	9,693
Outreach	1,532,927	-	718
District management and administration	11,804,344	-	7,257
Debt service - interest	138,347	-	-
Total governmental activities	\$ 121,188,993	\$ 6,570,524	\$ 28,635,534

General Revenues:

Ad valorem property taxes
Miscellaneous revenue
Unrestricted investment earnings
Total general revenues

Increase in net position

Net position, beginning of year

Net position, end of year

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

	Net (Expenses) Revenues and Changes in Net Position
<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
\$ 8,746	\$ (17,146,212)
41,397,747	24,560,605
1,219,340	(23,911,234)
-	(13,392,618)
-	(1,532,209)
-	(11,797,087)
-	(138,347)
<u>\$ 42,625,833</u>	<u>(43,357,102)</u>

95,463,006
997,259
6,823,209
<u>103,283,474</u>
59,926,372
<u>1,356,782,388</u>
<u>\$ 1,416,708,760</u>

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
BALANCE SHEET- GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 126,474	\$ -	\$ -	\$ 126,474
Investments	131,897,790	46,676,963	7,118,598	185,693,351
Cash held in escrow	-	6,542,815	-	6,542,815
Accounts and other receivables	1,034,456	1,862,947	-	2,897,403
Due from other funds	27,641,805	-	-	27,641,805
Inventories	732,603	-	-	732,603
Intergovernmental receivables	188,048	27,641,805	-	27,829,853
Prepaid items	79,123	-	-	79,123
Total assets	<u>161,700,299</u>	<u>82,724,530</u>	<u>7,118,598</u>	<u>251,543,427</u>
Liabilities and fund balances				
Liabilities				
Accounts payable	9,767,248	19,133,721	1,413,455	30,314,424
Due to other funds	-	27,641,805	-	27,641,805
Unearned revenue	-	7,271,789	-	7,271,789
Total liabilities	<u>9,767,248</u>	<u>54,047,315</u>	<u>1,413,455</u>	<u>65,228,018</u>
Deferred inflows of resources				
Unavailable revenue - taxes/ leases	<u>156,030</u>	<u>1,646,142</u>	<u>-</u>	<u>1,802,172</u>
Fund balances				
Nonspendable	811,726	-	-	811,726
Restricted	-	16,794,456	-	16,794,456
Committed	142,963,379	10,236,617	-	153,199,996
Assigned	2,548,553	-	5,705,143	8,253,696
Unassigned	<u>5,453,363</u>	<u>-</u>	<u>-</u>	<u>5,453,363</u>
Total fund balances	<u>151,777,021</u>	<u>27,031,073</u>	<u>5,705,143</u>	<u>184,513,237</u>
Total liabilities and fund balances	<u>\$ 161,700,299</u>	<u>\$ 82,724,530</u>	<u>\$ 7,118,598</u>	<u>\$ 251,543,427</u>

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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total fund balances – governmental funds	\$ 184,513,237
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The amount included in the statement of net position is the difference between:

Capital assets, at cost	1,444,157,725	
Accumulated depreciation and amortization	<u>(162,955,525)</u>	
		1,281,202,200

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The net effect of delinquent taxes resulted in a net increase to net position.

156,030

Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred outflows and inflows of resources at year-end consist of:

Deferred outflow amount on pension liabilities	7,907,910	
Deferred outflow amount on OPEB liabilities	376,979	
Deferred inflow amount on pension liabilities	(3,728,152)	
Deferred inflow amount on OPEB liabilities	<u>(740,680)</u>	
		3,816,057

Long-term liabilities are not due and payable from current resources and, therefore, are not reported in the funds:

Net pension liability	(42,071,456)	
Compensated absences	(4,522,913)	
Total OPEB liability	(3,702,251)	
Lease and SBITA right-to-use liability	<u>(2,682,144)</u>	
		<u>(52,978,764)</u>

Net position of governmental activities	<u><u>\$ 1,416,708,760</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Special Revenue	Capital Projects	Total Governmental Funds
Revenues				
Ad valorem (property taxes)	\$ 95,473,023	\$ -	\$ -	\$ 95,473,023
State	-	43,128,677	-	43,128,677
Federal	-	10,554,603	-	10,554,603
Investment earnings	6,490,268	332,941	-	6,823,209
Local sources and mitigation	-	5,129,493	-	5,129,493
Licenses and permits	2,437,258	-	-	2,437,258
Cities and counties	-	26,254	-	26,254
Lease and timber sales	-	2,650,643	-	2,650,643
Fines and penalties	185,000	-	-	185,000
Other	997,258	289,542	-	1,286,800
Total revenues	105,582,807	62,112,153	-	167,694,960
Expenditures				
Current:				
Water resources planning and monitoring	15,971,065	1,135,236	-	17,106,301
Acquisition, restoration, and public works	24,184,832	54,743,628	2,382,951	81,311,411
Operation and maintenance of lands and works	16,052,503	5,104,015	2,126,226	23,282,744
Regulation	14,449,559	21,950	-	14,471,509
Outreach	1,420,684	1,626	-	1,422,310
District management and administration	9,841,856	16,435	-	9,858,291
Debt services - principal & interest	421,780	-	-	421,780
Total expenditures	82,342,279	61,022,890	4,509,177	147,874,346
Excess of revenues over (under) expenditures	23,240,528	1,089,263	(4,509,177)	19,820,614
Other financing sources (uses):				
Transfers in	446,559	-	9,538,898	9,985,457
Transfers out	(9,538,898)	(446,559)	-	(9,985,457)
Sale of capital assets	29,596	1,313,266	-	1,342,862
Insurance/ loss recovery	86,871	-	-	86,871
Lease and SBITA financing	797,543	-	-	797,543
Total other financing sources (uses)	(8,178,329)	866,707	9,538,898	2,227,276
Net change in fund balances	15,062,199	1,955,970	5,029,721	22,047,890
Fund balances, beginning of year	136,714,822	25,075,103	675,422	162,465,347
Fund balances, end of year	\$ 151,777,021	\$ 27,031,073	\$ 5,705,143	\$ 184,513,237

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances – total governmental activities \$ 22,047,890

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. Also, capital assets are contributed to the District, requiring recognition of income not reported in the funds.

Capital assets acquired with financial resources	44,685,959	
Current year depreciation/amortization	(12,145,479)	
Contributions of capital assets received	<u>12,045,928</u>	
		44,586,408

In the fund level statements, the entire amount of proceeds from the sale of capital assets is reported as an increase in financial resources. In the statement of activities, the amount reported is only the gain on disposal. The change in net position differs from the change in fund balance by the net book value (original cost less depreciation at date of sale) of the assets sold, as well as the net book value of assets transferred to other agencies. (45,239)

Delinquent taxes are not available to pay for current period expenditures and, therefore, are not reported as deferred inflows of resources in the funds. (10,017)

The net change in net pension and OPEB liabilities and deferred outflows and inflows are reported in the statement of activities, but not in the governmental funds.

Change in net pension liability	(6,478,625)	
Change in deferred outflows related to pensions	(436,862)	
Change in deferred inflows related to pensions	1,159,323	
Change in total OPEB liability	49,077	
Change in deferred outflows related to OPEB	(88,235)	
Change in deferred inflows related to OPEB	<u>175,490</u>	
		(5,619,832)

Some expenses reported in the statement of activities did not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Those include:

Lease and SBITA right-to-use		(615,838)
Accrued compensated absences		<u>(417,000)</u>

Change in net position of governmental activities \$ 59,926,372

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



Pine Island Conservation Area

Notes to the Financial Statements

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The accounting policies of the St. Johns River Water Management District (District) conform to accounting principles generally accepted in the United States as applicable to governments. The following is a summary of the more significant policies.

- (a) Basis of Presentation** — The District's financial statements are prepared in accordance with accounting principles generally accepted in the U.S. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles generally accepted in the U.S. for state and local governments through its pronouncements (Statements and Interpretations).
- (b) Reporting Entity** — The District is a public corporation created by Chapter 373, *Florida Statutes*, known as the Florida Water Resources Act of 1972. The District is governed by a nine-member board that is appointed by the Governor and confirmed by the state Senate. The accompanying financial statements present the District's funds and activities. As required by accounting principles generally accepted in the U.S., these financial statements present the District as a discretely presented component unit of the state of Florida, which is considered a primary government. The District does not have any component units. The District's financial statements for the fiscal year ending September 30, 2023, will be incorporated in the state's June 30, 2024, Annual Comprehensive Financial Report.
- (c) Basis of Presentation — Government-Wide Financial Statements** — The government-wide financial statements consist of a statement of net position and a statement of activities to report information about the District as a whole. The statement of net position reports all financial and capital resources. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Gains on the sale of capital assets are reported as program revenues – charges for services – acquisition, restoration, and public works and losses are reported as function/program expenses – acquisition, restoration, and public works.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (Continued):

- (d) Basis of Presentation — Fund Financial Statements** — The fund financial statements provide information about the government's funds. The general fund and major individual funds are reported as separate columns in the governmental funds financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those that are accounted for in another fund.

The *Special Revenue Fund* accounts for restricted revenues received from federal, state of Florida and local sources, such as cities, counties, and water management districts, as well as other private and public institutions and related expenditures. This fund is supported by reimbursable and advanced grants and appropriations from federal and state of Florida agencies. District source grant matching funds are at times transferred to and the associated expenditures are made from this fund. The District's long-term land management temporarily restricted endowment trust fund is accounted for within this fund, also land management revenues, such as timber sales and leases of District assets and the related land management or land acquisition expenditures, are accounted for in this fund.

The *Capital Projects Fund* accounts for financial resources segregated for the construction or acquisition of major capital facilities and infrastructure. Land purchases are not covered by this fund. General fund transfers are made to fund the capital projects appropriations, which would otherwise distort the historical comparisons within the General Fund.

During the course of operations, the District has activity or transfers of resources between funds for various purposes. In fund financial statements these amounts are reported at gross amounts as transfers in/out. Any residual balances outstanding at year end are reported as due from/to other funds. While these transfer and balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

- (e) Measurement Focus and Basis of Accounting** — The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported by using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (e) (Continued):

earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem (property taxes) are recognized as revenues in the year for which they are levied by the District. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported by using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. An exception to this is federal and state grants collected on a reimbursement basis, which are recognized as revenue when reimbursable expenditures are made and collection is within one year.

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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisition under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Because the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

Amounts reported as program revenues include: (1) permit application fees; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all ad valorem (property taxes).

The District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted — net position and unrestricted — net position in the government-wide financial statements, a flow

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (e) (Concluded):

assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

(f) Classification of Expenditures — The District currently categorizes the expenditures and budget data it submits to the Governor's Office, the Florida Department of Environmental Protection, and the Legislature by six program areas. These programs, which are set forth in Section 373.536(5)(e)4, *Florida Statutes*, are each described as follows:

- **Water Resources Planning and Monitoring** — This program area includes all water management planning, including water supply planning, development of minimum flows and levels, and other water resources planning; research, data collection, analysis, and monitoring; and technical assistance, including local and regional plan and program review.
- **Acquisition, Restoration, and Public Works** — This program area includes the development and construction of all capital projects (except for those contained in the Operation and Maintenance of Lands and Works program area), including land acquisition, water resource development projects, water supply development assistance, alternative water supply, land restoration, surface water restoration, and facilities construction projects.
- **Operation and Maintenance of Lands and Works** — This program area includes all operation and maintenance of facilities, flood control and water supply structures, lands, and other works authorized by Chapter 373, *Florida Statutes*.
- **Regulation** — This program area includes consumptive use permitting, water well permitting and water well contractor licensing, environmental resource and surface water management permitting, permit administration and enforcement, and any delegated regulatory program.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (f) (Concluded):

- Outreach — This program area includes all public information and outreach, including websites; social media; coordination and communication with the media, public, schools and stakeholder groups; and production and dissemination of information materials. Outreach is the primary responsibility of the Office of Strategic Communications and Engagement and supports all District divisions and offices.
- District Management and Administration — This program area includes all Governing Board support, executive support, general counsel, human resources, finance, audit, risk management, administrative services, telecommunications, computer information, and tax collector and property appraiser fees.

The state of Florida uses a different expenditure category model in its Annual Comprehensive Financial Report that groups the adopted and final budgets and expenditures under the following categories: Salaries and Benefits, Expenses, Grants and Aids, Operating Capital Outlay and Fixed Capital Outlay. For a districtwide adopted and final budget and actual expenditure detail using the state of Florida model, see note 18.

- (g) Cash, Cash Equivalents and Investments** — The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The District utilizes pooled cash accounting whereby excess monies are aggregated for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund and the funds individual earnings guidelines. Negative cash balances in individual funds are reported as interfund payables with offsetting receivables recorded in loaning fund(s). In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended by GASB Statement No. 72, *Fair Value Measurement and Application*, the District reports investments at their fair value, with unrealized gains and losses credited to or charged against investments earnings. (See note 3)
- (h) Receivables and Payables** — Activity between funds that are representative of accounting transactions outstanding at the end of the fiscal year are referred to as due to/from other funds.
- (i) Prepaid Items** — Prepaid items consist of rent payments, software maintenance services, and tax collector and property appraiser fees, which have been paid prior to the end of the fiscal year, but represent costs that are applicable to future accounting periods using the consumption method. These amounts do not constitute available spendable resources even though they are a component of currents assets.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (Continued):

- (j) **Inventories** — All inventories are valued at average cost and consist of chemicals and supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when purchased.
- (k) **Capital Assets** — A capital asset is real or personal, tangible or intangible property that has a cost equal to or greater than an established capitalization threshold and has an estimated useful life extending beyond one year. The District reports capital assets under the following categories and thresholds, see change in accounting policy below:

Land and land improvements	Capitalize all
Easements	Capitalize all
Buildings	\$5,000
Building improvements	\$100,000
Right to use buildings	\$100,000
Infrastructure and infrastructure improvements	\$100,000
Machinery and equipment	\$5,000
Software	\$5,000
Subscription-based IT arrangements	\$100,000
Construction in progress	Accumulate all costs and capitalize at the completion of the project or at a major percentage of completion for long-term projects

Capital assets are reported at historical cost or estimated historical cost plus any ancillary charges (freight and transportation charges, site preparation costs, installation costs, and professional fees) necessary to place the asset into its intended location and condition for use. Donated capital assets are reported at their estimated acquisition value at the date of donation.

Donated conservation easements received by the District through the permitting process are recorded at the previous fiscal year average per acre cost of purchased conservation easements. The average, current fiscal year, per acre conservation easement cost is multiplied by the total acres received.

Costs related to the development of computer software are expensed as incurred until: (a) the District has completed the preliminary project stage (i.e., the conceptual formulation and evaluation of alternatives, determination of the existence of needed technologies, and final selection of software development alternatives); and (b) management has implicitly and explicitly authorized or committed to funding the project. Activities related to the application development stage of internally generated computer software (e.g., software configuration and software interfaces, coding, installation to hardware, and testing) are capitalized at the amount of the associated outlays. Post-implementation activities, such as application training and software maintenance, are expensed as incurred. Costs

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (k) (Concluded):

associated with data conversion are also expensed if such activities are not necessary for internally developed software to become operational.

Additions, improvements, and other capital outlay that significantly extend the useful life of an asset, are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

In the government-wide financial statements, the cost of property sold or retired, together with the related accumulated depreciation, is removed and any resulting gain or loss is included as General Revenues and falls into Increase or Decrease in Net Position in the Statement of Activities.

Buildings, infrastructure, software, and machinery and equipment of the District are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	5–50
Infrastructure	10–50
Machinery and equipment	3–40
Software/ intangibles	3–50

Land and easements have indefinite useful lives and as such are not considered to be depreciable capital assets. Construction in progress is not depreciable until the project is complete or substantially complete and transferred to a depreciable capital asset, such as, buildings, infrastructure, machinery and equipment, or other depreciable assets.

- (l) Pensions** — For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan and Health Subsidy Program and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.
- (m) Deferred Outflow/Inflow of Resources** — In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. It is the deferred amounts related to pensions and Other Post-Employment Benefits (OPEB) reported in the government-wide statement of net position. The deferred amounts related

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (m) (Concluded):

to pensions and OPEB relate to differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, special assessments, and leases. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the District reports deferred amounts related to pensions, leases, and OPEB.

- (n) Leases** — The District has entered into noncancellable lease agreements as a lessee and lessor.

Lessee: The District recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements and a capital expenditure and other financing source in the governmental fund financial statements. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments paid. Subsequent governmental fund lease payments are accounted for consistent with principles for debt service payments on long-term debt. The right-to-use lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments received at or before the lease commencement date. Subsequently, the right-to-use lease asset is amortized as depreciation over the shorter of the lease term or the useful life of the underlying asset.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses its estimated incremental borrowing rate as the discount rate for leases, which is 4.72 percent.
- The lease term includes the noncancellable period of the lease, including renewal options. Leases that have a lease term that exceeds 15 years will be estimated with a lease term of a maximum of 15 years.
- Lease payments included in the measurement of the lease liability are composed of fixed payments to the lessor.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (n) (Concluded):

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease liability and lease right-to-use asset if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor: The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the District initially measures the lease receivable 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. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases, which is 4.72 percent.
- The lease term includes the noncancellable period of the lease, including renewal options. Leases that have a lease term that exceeds 15 years will be estimated with a lease term of a maximum of 15 years.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

(o) Subscription-based information technology arrangements — The District has entered into noncancellable subscription-based information technology arrangements (SBITAs).

At commencement of the subscription term, the District recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements and a capital expenditure and other financing source in the governmental fund financial statements. The District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments paid. Subsequent governmental fund subscription payments are accounted for consistent with principles for debt service payments on long-term debt. The right-to-use

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (o) (Concluded):

subscription asset is initially measured as the sum of the initial amount of the subscription liability, payments made to the SBITA vendor before the subscription commencement date and capitalizable implementation costs. Subsequently, the right-to-use subscription asset is amortized over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses its estimated incremental borrowing rate as the discount rate for SBITAs, which is 4.72 percent.
- The subscription term includes the noncancellable period of the subscription, including renewal options. SBITAs that have a subscription term that exceeds 15 years will be estimated with a subscription term of a maximum of 15 years.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments to the SBITA vendor.

The District monitors changes in circumstances that would require a remeasurement of its SBITAs, and will remeasure the subscription liability and subscription right-to-use asset if certain changes occur that are expected to significantly affect the amount of the subscription liability.

- (p) Compensated Absences** — It is the District's policy to permit employees to accumulate earned, but unused annual and sick leave benefits, which will be paid upon separation from the District. Payment of unused annual and sick leave is subject to District policy and employment criteria.

All vacation hours and a portion of the sick leave hours are accrued when incurred in the government-wide financial statements. No expenditure is reported in the governmental funds for these amounts until the payment is made. A liability for these amounts is reported in funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences liability is determined based on current rates of pay, District policy, and employment criteria.

- (q) Unearned Revenue** — Both government-wide and governmental funds report unearned revenue in connection with resources that have been received, but not yet earned because all eligibility requirements have not been met.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (Continued):

- (r) **Long-Term Obligations** — In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities of governmental activities in the statement of net position.
- (s) **Fund Balance** — Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are Nonspendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of constraint placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to note 17.
- (t) **Property Taxes** — The District is authorized by Section 373.503, *Florida Statutes*, to levy ad valorem taxes on all real and personal property located within the District, not to exceed 0.60 mills. The rate for the 2022–23 fiscal year was 0.1974 mills. The property assessment and tax collection functions are performed by appropriate officials of county government in each of the 18 counties comprising the District. Commissions are paid to the counties for these appraisal and collection services.

Taxes are billed and collected for the District by the county tax collectors, according to Florida Statutes, using the following calendar:

Lien date:	January 1
Levy date:	October 1
Due date:	March 1
Delinquency date:	April 1

A 4 percent discount is allowed if the taxes are paid in November, with the discount declining by 1 percent each month thereafter. Tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1 of each year. Property taxes are recognized as revenues in the fiscal year of the District in which the taxes are billed and substantially collected.

Delinquent ad valorem property taxes of \$156,030 are recorded as a deferred inflow of resources along with an increase in accounts receivable at the governmental fund level. This amount is recognized as ad valorem property tax revenue at the government-wide level.

- (u) **Use of Estimates** — The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies (u) (Concluded):

amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from these estimates.

(2) Budgetary Information:

The District has elected to report budgetary comparisons as Required Supplementary Information. The District's policies for adopting and monitoring its budget are included in the Required Supplementary Information Other Than Management's Discussion and Analysis section of this report.

(3) Cash and Investments:

The District's bank accounts were deposited in state-qualified public depositories. The entire balance was insured by federal depository insurance or by collateral held by the District's custodial bank, which is pledged to a state trust fund that provides security in accordance with the Florida Security for Deposits Act, Chapter 280, for amounts held in excess of Federal Deposit Insurance Corporation limits. The foremost objective of the District's investment policy is the safety of capital and liquidity of funds. Achieving an optimal rate of return is of secondary importance. The investment policy limits investments to those relatively low-risk securities authorized in anticipation of earning a fair return relative to the risk being assumed. How the investment policy manages credit risk, interest rate risk, custodial credit risk, and concentration of credit risk is as follows:

- (a) Credit Risk** — In accordance with the District's investment policy, the District minimizes credit risk, the risk of loss due to the failure of the security, by limiting investments to the authorized investments in the investment policy, pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisers with which the District will do business, and diversifying the investment portfolio to protect against losses on individual securities.

Investments in Federal Instrumentalities, U.S. Government Securities, and Mortgage-Backed Securities are backed by the full faith and credit of the U.S. federal government. Investments in the State Board of Administration (SBA) are invested in the Florida PRIME and rated AAAm by Standard and Poors (S&P). The Investment Manager of the Florida PRIME manages credit risk by purchasing only high quality securities, performing a credit analysis to develop a database of issuers and securities that meet the Investment Manager's minimum standard, and by regularly reviewing the portfolio's securities financial data, issuer news and developments, and ratings of the nationally recognized statistical rating organizations.

The Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2022, through September 30, 2023.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Cash and Investments (a) (Continued):

As of September 30, 2023, the District had the following investments (End=Long-term land management endowment and LT= Long-term portfolio) reported at fair-values with S&P ratings, maturity dates and the percentage of each security classification to the total portfolio:

	Type	S&P Rating	Maturity Date	Fair Value	% of Portfolio
Federal Instruments					
Federal Farm Credit Banks Funding Corp	End	AA+	03/10/2025	367,535	
Federal Home Loan Banks	End	AA+	03/14/2025	370,694	
Federal National Mortgage Association	LT	AA+	04/22/2025	2,326,611	
Federal National Mortgage Association	LT	AA+	06/17/2025	2,773,794	
Federal National Mortgage Association	LT	AA+	11/07/2025	1,404,991	
Federal Farm Credit Banks Funding Corp	End	AA+	03/09/2026	373,132	
Federal Home Loan Banks	End	AA+	03/13/2026	370,491	
Federal Farm Credit Banks Funding Corp	End	AA+	03/30/2026	365,478	
Federal Home Loan Banks	End	AA+	03/10/2028	372,982	
Total Federal Instruments				<u>8,725,708</u>	4.70%
U.S. Government Securities					
United States Treasury	End	NA	07/31/2024	122,456	
United States Treasury	End	NA	09/30/2024	622,642	
United States Treasury	End	NA	10/31/2024	622,937	
United States Treasury	LT	NA	11/30/2024	956,758	
United States Treasury	LT	NA	12/31/2024	2,439,832	
United States Treasury	LT	NA	12/31/2024	665,903	
United States Treasury	End	NA	12/31/2024	606,712	
United States Treasury	End	NA	01/31/2025	605,487	
United States Treasury	LT	NA	02/28/2025	1,982,203	
United States Treasury	LT	NA	02/28/2025	1,189,125	
United States Treasury	LT	NA	03/31/2025	3,298,699	
United States Treasury	End	NA	03/31/2025	602,772	
United States Treasury	LT	NA	07/31/2025	1,104,988	
United States Treasury	End	NA	08/15/2025	516,129	
United States Treasury	LT	NA	09/15/2025	873,633	
United States Treasury	LT	NA	09/30/2025	3,585,400	
United States Treasury	End	NA	10/15/2025	526,620	
United States Treasury	LT	NA	10/31/2025	1,042,771	
United States Treasury	LT	NA	11/15/2025	1,400,021	
United States Treasury	End	NA	11/15/2025	529,337	
United States Treasury	LT	NA	11/30/2025	2,287,788	
United States Treasury	LT	NA	12/31/2025	958,265	
United States Treasury	LT	NA	02/28/2026	1,580,048	
United States Treasury	LT	NA	03/31/2026	2,916,357	
United States Treasury	End	NA	04/15/2026	617,637	
United States Treasury	LT	NA	04/30/2026	2,252,051	
United States Treasury	LT	NA	04/30/2026	812,762	
United States Treasury	LT	NA	05/31/2026	1,167,512	

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Cash and Investments (a) (Continued):

United States Treasury	LT	NA	07/31/2026	2,434,257	
United States Treasury	End	NA	07/31/2026	364,388	
United States Treasury	LT	NA	09/30/2026	3,703,227	
United States Treasury	LT	NA	09/30/2026	707,460	
United States Treasury	End	NA	09/30/2026	442,733	
United States Treasury	LT	NA	11/15/2026	735,844	
United States Treasury	End	NA	11/15/2026	446,105	
United States Treasury	LT	NA	12/31/2026	1,319,670	
United States Treasury	End	NA	02/15/2027	512,139	
United States Treasury	LT	NA	02/28/2027	2,762,324	
United States Treasury	LT	NA	03/31/2027	441,212	
United States Treasury	End	NA	04/30/2027	518,990	
United States Treasury	LT	NA	05/31/2027	1,194,548	
United States Treasury	LT	NA	06/30/2027	2,674,580	
United States Treasury	End	NA	06/30/2027	527,315	
United States Treasury	LT	NA	08/15/2027	3,024,771	
United States Treasury	LT	NA	09/30/2027	881,262	
United States Treasury	LT	NA	09/30/2027	3,080,971	
United States Treasury	End	NA	09/30/2027	220,315	
United States Treasury	LT	NA	11/30/2027	2,496,141	
United States Treasury	End	NA	11/30/2027	411,984	
United States Treasury	LT	NA	12/31/2027	2,621,195	
United States Treasury	End	NA	12/31/2027	411,901	
United States Treasury	End	NA	01/31/2028	405,593	
United States Treasury	End	NA	02/29/2028	451,705	
United States Treasury	LT	NA	03/31/2028	258,926	
United States Treasury	LT	NA	04/30/2028	1,191,406	
United States Treasury	End	NA	04/30/2028	285,938	
United States Treasury	LT	NA	05/31/2028	2,755,508	
United States Treasury	LT	NA	05/31/2028	1,953,745	
United States Treasury	End	NA	05/31/2028	356,397	
United States Treasury	LT	NA	06/30/2028	1,969,555	
United States Treasury	LT	NA	06/30/2028	900,321	
United States Treasury	End	NA	06/30/2028	145,998	
United States Treasury	End	NA	06/30/2028	278,306	
Total U.S. Government Securities				78,773,575	42.42%
Corporate Notes					
Caterpillar Financial Services Corp	LT	A	01/10/2024	908,255	
Amazon.com Inc	LT	AA	05/12/2024	1,259,717	
Paccar Financial Corp	LT	A+	06/13/2024	1,158,961	
Walmart Inc	LT	AA	07/08/2024	1,469,350	
Paccar Financial Corp	LT	A+	08/09/2024	799,158	
Caterpillar Financial Services Corp	LT	A	09/13/2024	1,478,340	
Toyota Motor Credit Corp	LT	A+	09/13/2024	2,291,132	
Amazon.com Inc	LT	AA	04/13/2025	2,362,224	
Home Depot Inc	LT	A	04/15/2025	494,624	

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Cash and Investments (a) (Concluded):

Emerson Electric Co	End	A	06/01/2025	144,332	
Caterpillar Financial Services Corp	End	A	08/12/2025	145,288	
Colgate-Palmolive Co	LT	AA-	08/15/2025	365,674	
Toyota Motor Credit Corp	End	A+	08/18/2025	145,094	
Home Depot Inc	End	A	09/15/2025	144,284	
Amazon.com Inc	End	AA	05/12/2026	134,863	
John Deere Capital Corp	LT	A	09/08/2026	578,172	
John Deere Capital Corp	End	A	09/08/2026	89,716	
Walmart Inc	End	AA	09/17/2026	133,745	
Total Corporate Notes				<u>14,102,929</u>	7.60%
Municipal Bonds					
Arizona St Transn Hwy Rev	LT	AA+	07/01/2024	1,167,768	
New York NY	LT	AA	05/01/2027	987,007	
Connecticut ST	LT	AA-	05/15/2027	504,530	
Connecticut ST	End	AA-	05/15/2027	79,926	
Oklahoma City Water Utilities Trust	LT	AAA	07/01/2027	877,936	
District Columbia Income Tax Rev	LT	AAA	07/01/2027	883,154	
Total Municipal Bonds				<u>4,500,321</u>	2.42%
Florida State Board of Administration					
Florida Prime		AAAm		79,239,700	42.67%
Fixed Income Money Markey Fund					
Federated Government Obligations	LT	NR		208,223	
Federated Government Obligations	End	NR		142,895	
				<u>351,118</u>	0.19%
TOTAL INVESTMENTS				<u>\$ 185,693,351</u>	100.00%

(b) Interest Rate Risk — In accordance with the District's investment policy, the District manages its exposure to declines in fair values of its investments by limiting the allowable length to maturity to a maximum of five years from the date of purchase, structuring the investment portfolio so that securities mature to meet ongoing operating cash requirements and investing operating funds primarily in shorter-term securities, SBA – Florida PRIME, fixed income money market funds and interest bearing time deposit accounts.

The District's average, effective duration for the Investment Portfolio as of September 30, 2023, was approximately 2.48 years. The maximum duration allowed by the District's Investment Policy is three years. The weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2023, was 35 days. The next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2023, is 75 days. A summary of the maximum allowed duration of each investment type within the District's investment policy follows:

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Cash and Investments (b) (Concluded):

<u>Description of Investment</u>	<u>Maturity Duration</u>
Florida PRIME	N/A
U.S. Government Securities	<5 years
U.S. Government Agencies	<5 years
Federal Instrumentalities	<5 years
Mortgage-Backed Securities	<5 years
Interest-Bearing Time Deposit or Savings Accounts (Savings)	<1 year
State/Local Government Taxable/Tax-Exempt Debt (Municipal)	<5 years
Registered Investment Company (Money Market Mutual Funds)	<60 days
Repurchase Agreements	<90 days
Commercial Paper	<270 days
Corporate Notes	<5 years

As of September 30, 2023, the District had the following investments and maturities:

	<u>Fair Value</u>	<u>Investment Maturity (in years)</u>		
		<u>Less than 1 year</u>	<u>1–3 years</u>	<u>3–5 years</u>
Federal Instrumentalities	\$ 8,725,708	\$ -	\$ 8,352,726	372,982
U.S. Treasury Securities	78,773,575	745,098	61,133,858	16,894,619
Corporate Notes	14,102,929	9,364,913	4,738,016	-
Municipal Bonds	4,500,321	1,167,768	3,332,553	-
Florida PRIME	79,239,700	79,239,700	-	-
Money Market Fund	351,118	351,118	-	-
TOTAL INVESTMENTS	<u>\$185,693,351</u>	<u>\$90,868,597</u>	<u>\$ 77,557,153</u>	<u>\$17,267,601</u>

(c) Custodial Credit Risk — Investments are subject to custodial credit risk if the securities are uninsured, not the registered in the District’s name, and are held by the party that either sells to our buys for the District. All of the District securities are held by the District’s custodian in the District’s name; therefore, no investments held at year-end were subject to custodial credit risk.

The custodian provides the District with safekeeping receipts that provide detail information on the securities held by the custodian. If security transactions between a broker/dealer and the custodian involve the purchase or sale of securities by transfer of money or securities on a “delivery vs. payment” basis, then the security or money must be in hand to ensure that the custodian has the security or money at the conclusion of the transaction. Securities held as collateral are held free and clear of any liens.

The District owns shares of the SBA–Florida PRIME, and not the underlying securities. The Florida PRIME did not participate in a securities lending program during the period from October 1, 2022, through September 30, 2023.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Cash and Investments (Continued):

- (d) Concentration of Credit Risk** — The District's investment strategy is to maintain diversification. In accordance with the District's investment policy, the District manages its exposure to positions of 5 percent or more in the securities of a single issuer by diversifying the portfolio and limiting the maximum amount invested in any single issuer. The District further diversified its investment portfolio by splitting the management of the portfolio between two investment management companies.

A Cash and Investments summary of the authorized investments of the District including the year end exposure amount and percentage, the maximum exposure percentage experienced during the fiscal year and the maximum allowed percentage of each security type follows:

	Sector Guideline Exposures			
	% of Available Funds			
	Exposure to specific Guideline	Year end Exposure %	Maximum	
<u>Compliance Guideline</u>			<u>During Year</u>	<u>Policy</u>
Federal Instrumentalities	\$ 8,725,708	4.55%	6.09%	80%*
U.S. Government Securities	78,773,575	40.96%	31.91%	100%
Corporate Notes	14,102,929	7.33%	6.71%	25%**
Municipal Bonds	4,500,321	2.34%	2.00%	25%
Florida PRIME	79,239,700	41.20%	46.19%	50%
Money Market Funds	<u>351,118</u>	<u>0.18%</u>	1.78%	50%
Subtotal Investments	185,693,351	<u>100.00%</u>		
Cash Checking Accounts	126,474			
Cash Held in Escrow***	<u>6,542,815</u>			
Total Cash and Investments	<u>\$192,362,640</u>			

*The maximum aggregate amount of Federal Instrumentalities will not exceed 80 percent.

**The maximum aggregate amount of Corporate Notes and Commercial Paper will not exceed 40 percent.

***See note 8 Unearned Revenue for detail of amount in escrow.

- (e) Fair Value Measurement** — The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, which the District categorizes its Money Market Funds of \$351,118; Level 2 inputs are significant other observable inputs, which the District categorizes its investments in Federal Instrumentalities of \$8,725,708, U.S. Treasury Securities of \$78,773,575, Corporate Notes of \$14,102,929, Municipal Bonds of \$4,500,321; Level 3 inputs are significant unobservable inputs, which the District has none. The District's fair value measurements as of September 30, 2023, for Level 2 inputs, are valued using a matrix pricing technique.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Cash and Investments (e) (Concluded):

Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The SBA's interpretation is that the Florida PRIME investments are exempt from the GASB 72 fair value hierarchy disclosures.

- (f) Investments Reported at Amortized Cost** — Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the District's account balance is considered the fair value of our investment. With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the District's daily access to 100 percent of our account value.

(4) Capital Assets: (a) Capital asset activity for the year ended September 30, 2023, was as follows:

	Balance at Oct. 1, 2022	Additions	Retirements	Balance at Sept. 30, 2023
Capital assets, not being depreciated:				
Land	\$ 838,691,403	\$ 459,164	\$ (20,281)	\$ 839,130,286
Easements	231,773,992	14,662,192	(2,219,843)	244,216,341
Construction in progress	4,916,521	39,206,367	(4,291,979)	39,830,909
Total capital assets, not being depreciated	<u>1,075,381,916</u>	<u>54,327,723</u>	<u>(6,532,103)</u>	<u>1,123,177,536</u>
Capital assets, being depreciated/amortized				
Buildings	40,857,546	290,669	(146,440)	41,001,775
Right-to-use buildings	2,044,092	101,728	(-)	2,145,820
Infrastructure	237,026,506	6,677,154	(611,292)	243,092,368
Machinery and equipment	28,039,025	1,828,417	(334,249)	29,533,193
Software	4,409,490	-	(-)	4,409,490
Subscription-based IT arrangements	-	797,543	(-)	797,543
Total capital assets, being depreciated/amortized	<u>312,376,659</u>	<u>9,695,511</u>	<u>(1,091,981)</u>	<u>320,980,189</u>
Less accumulated depreciation/amortization for:				
Buildings	(19,563,419)	(1,020,586)	69,764	(20,514,241)
Leased buildings	(97,338)	(128,030)	-	(225,368)
Infrastructure	(101,729,302)	(9,357,792)	-	(111,087,094)
Machinery and equipment	(24,994,640)	(1,431,376)	217,734	(26,208,282)
Software and models	(4,712,845)	(14,960)	-	(4,727,805)
Subscription-based IT arrangements	-	(192,735)	-	(192,735)
Total accumulated depreciation/amortization	<u>(151,097,544)</u>	<u>(12,145,479)</u>	<u>287,498</u>	<u>(162,955,525)</u>
Capital assets being depreciated/amortized, net	<u>161,279,115</u>	<u>(2,449,968)</u>	<u>(804,483)</u>	<u>158,024,664</u>
Governmental activities capital assets, net	<u>\$1,236,661,031</u>	<u>\$ 51,877,755</u>	<u>\$ (7,336,586)</u>	<u>\$1,281,202,200</u>

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
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(4) Capital Assets (a) (Concluded):

Depreciation expense was charged to functions/programs of the District as follows:

Operation and maintenance of lands and works	\$ 10,789,168
District management and administration	<u>1,356,311</u>
Total depreciation expense	<u>\$ 12,145,479</u>

(b) Land Acquisitions and Sales — In fiscal year 2022–23, the District expended \$379,490 from land acquisition fund balance on the following conservation lands: \$323,490 for the 35.35 acre Solomon Crawford property and \$56,000 for the Appelbaum property.

The District sold the following conservation lands: \$626,537 for 12.48 acres of the Strother property and \$6,308 for .44 acres of the Fly'n R Ranch property, also the following conservation easements: \$670,213 for 13.35 acres of the Strother conservation easement and \$4,500 for .25 acres of the Johnson conservation easement.

The District also expended \$463,671 for the Penland and Pomerence conservation easement funded by the Florida Department of Transportation.

The District has an unspent fund balance of \$7,742,615 for future purchases of conservation lands.

(5) Long-Term Leases:

District as Lessee

The District, as lessee, has entered into a lease agreement with Baymeadows Reflections, LP to lease office space for the Jacksonville Service Center. A right-to-use asset was recorded in capital assets in the leased buildings class at a value of \$2,044,092. The asset was restated due to a change in the lease term, thereby increasing the asset by \$101,728 to a value of \$2,145,820. The accumulated amortization is \$225,368 (see note 4). Present-value calculations of the lease payments were made utilizing a discount rate of 4.72 percent.

The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2023, were as follows:

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(5) Long-Term Leases (Concluded):

Minimum Lease Payments			
Fiscal Year Ending			
September 30	Principal	Interest	Total
2024	\$ 55,666	\$ 98,953	\$ 154,619
2025	85,733	95,551	181,284
2026	94,499	91,317	185,816
2027	103,803	86,658	190,461
2028	113,676	81,547	195,223
2029-2033	724,781	313,710	1,038,491
2034-2038	940,444	117,173	1,057,617
Total	\$ 2,118,602	\$ 884,909	\$ 3,003,511

District as Lessor

The District, as lessor, has entered into several land leases pertaining to land, billboards and towers which have material future minimum lease cash inflows. The District recognized \$128,901 in lease revenue and \$87,575 in interest revenue during the current fiscal year related to these leases. Present-value calculations of the lease payments were made utilizing a discount rate of 4.72 percent. The total deferred inflows on leases for fiscal year 2022–23 are \$1,646,142.

	Lease Term		Present Value of Future Lease Payments	2022-23 Payments			
	Start	End	9/30/2023	Cash	Receivable	Interest	Revenue
Clear Channel - Buck Lake (91)	5/31/1996	8/31/2029	\$ 30,542	\$ 7,000	\$ 5,308	\$ 1,692	\$ 5,132
American Tower Asset Sub, LLC - Tiger Bay (361)	6/1/1982	12/17/2057	1,148,174	108,534	51,891	56,643	70,922
GTP Towers VII, LLC/American Tower Corporation - Clark Bay (375)	7/30/2002	2/28/2065	531,413	40,343	14,573	25,770	31,275
Outfront Media, LLC- Canaveral Marshes Great Outdoors (690)	7/1/2010	6/30/2030	29,296	4,500	2,977	1,523	3,802
Outfront Media, LLC - Gourd Island- 1170 (719)	9/1/2008	8/31/2024	-	8,000	7,639	361	5,470
Outfront Media, LLC - Gourd Island- 1172 (720)	9/1/2008	8/31/2024	-	8,000	7,639	361	5,470
Clear Channel - Gourd Island (721)	1/1/2005	12/31/2024	6,685	7,000	6,383	617	5,879
IFAS (2180)	5/1/2021	4/30/2036	12,149	1,349	741	608	951
			<u>\$ 1,758,259</u>	<u>\$184,726</u>	<u>\$ 97,151</u>	<u>\$ 87,575</u>	<u>\$ 128,901</u>

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(6) Subscription-Based Information Technology Arrangements:

The District has entered into several subscription-based information technology arrangements (SBITAs) to use vendor-provided information technology. A right-to-use subscription asset was recorded in capital assets, less accumulated amortization (see note 4) in the subscription-based IT arrangements class. Present-value calculations of the subscription payments were made utilizing a discount rate of 4.72 percent.

	<u>Subscription Term</u>		<u>Subscription Asset</u>	<u>Accumulated Amortization</u>
	<u>Start</u>	<u>End</u>		
Westlaw Legal Research Database (37065)	1/1/2021	9/30/2026	\$ 145,402	\$ 36,351
Microsoft Enterprise Agreement (37450)	12/1/2021	11/30/2024	306,119	127,549
Microsoft Server Cloud Enrollment (P050797)	4/1/2023	3/31/2029	346,022	28,835
			<u>\$ 797,543</u>	<u>\$ 192,735</u>

The future minimum subscription obligation and the net present value of these minimum subscription payments as of September 30, 2023, were as follows:

<u>Minimum Subscription Payments</u>				
<u>Fiscal Year Ending</u>				
<u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2024	\$ 245,483	\$ 25,843	\$ 271,326	
2025	93,534	14,211	107,745	
2026	98,397	9,749	108,146	
2027	61,610	5,953	67,563	
2028	64,518	3,045	67,563	
Total	<u>\$ 563,542</u>	<u>\$ 58,801</u>	<u>\$ 622,343</u>	

(7) Commitments:

Encumbrances of District Sources — The District has restricted, committed, and assigned fund balances for obligations that were executed in fiscal year 2022–23, but will be expended in the next fiscal year. The \$121,001,460 in encumbrances below (\$56,434,108 of District sources and \$64,567,352 of future resources) represent purchase orders and contracts that were expected to be expended in fiscal year 2022–23, but are now expected to be expended in fiscal year 2023–24.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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(7) Commitments (Concluded):

These encumbrances will be added to the adopted fiscal year 2023–24 budget, therefore, increasing the adopted fiscal year 2023–24 budget of \$250,490,466 by \$121,001,460 to a final adopted budget of \$371,491,926. These encumbrances are in the form of contracts, agreements, grants to local governments and purchase orders.

The totals by fund are as follows:

General Fund	\$ 28,971,465
Special Revenue Fund	306,180
Capital Projects Fund	<u>27,156,463</u>
Total	<u>\$ 56,434,108</u>

Encumbrances of Future Resources — The District has committed future resources related to local, state, and federal grants and contributions for which revenues will not be recognized until expenditures are incurred in the following fiscal year. These commitments, which are not included on the balance sheet, are in the form of contracts, agreements, grants to local governments, memorandums of understanding, memorandums of agreement and purchase orders and the totals by fund source are as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
Special Revenue Fund	\$6,383,621	\$51,661,976	\$6,521,755	\$64,567,352

Of the total encumbrances of future State resources of \$64,567,352, \$395,030 were from unearned revenues advanced to the District by the Florida Department of Transportation and \$4,484,736 were from unearned revenues advanced to the District by Clay County Utility Authority, Gainesville Regional Utilities, JEA and St. Johns County pertaining to the Black Creek Water Resource Development Project.

(8) Unearned Revenue:

The District has unearned revenue in the form of advance payments from various public agencies for which the District has unmet eligibility requirements other than timing. While the measurement focus and basis of accounting are different for the government-wide and governmental fund level statements, the revenue recognition rules for each when applied to these advance payments result in no timing differences regarding revenue recognition.

On May 11, 2021, the Governing Board adopted new minimum flows and levels (MFLs) for Lakes Brooklyn and Geneva (B&G) and determined that these MFLs were not being met. The Governing Board also approved a recovery strategy called B&G Recovery Strategy to address the deficits through the construction, operation and maintenance of the Black Creek Water Resource Development Project (Black Creek WRD) which will directly augment Lakes Brooklyn and Geneva and also recharge the Floridan Aquifer in the vicinity of the lakes to sufficiently enable these lakes to meet the MFLs. The B&G Recovery Strategy allows entities holding CUPs, whose authorized water withdrawals contribute to the deficit for the Lakes Brooklyn and Geneva MFLs, to participate financially in the construction, operation and maintenance of the Black Creek WRD as a means of

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
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(8) Unearned Revenue (Concluded):

addressing their proportional share of the required recovery of the MFLs for Lakes Brooklyn and Geneva and to ensure their future water use complies with the Lakes Brooklyn and Geneva MFL criteria.

Clay County Utility Authority (CCUA), Gainesville Regional Utilities (GRU), JEA, and St. Johns County have executed cost participation agreements for the construction, operation and maintenance of the Black Creek WRD and paid advance lump sum amounts by November 1, 2021 representing one-half of their total proportional share of the Black Creek WRD to the Florida Department of Financial Services as Escrow Agent (see note 3). The second payment from each participant is due November 1, 2023 (see Note 20).

The various components of unearned revenue reported in both the government-wide and governmental funds are as follows:

<u>Entity</u>	<u>Funding Source</u>	<u>Amount</u>
FDOT	State – FDOT Mitigation	\$ 2,541,036
CCUA	Local – Black Creek Water Resource Development	2,192,903
GRU	Local – Black Creek Water Resource Development	378,259
JE A	Local – Black Creek Water Resource Development	1,933,775
St. Johns County	Local – Black Creek Water Resource Development	225,816
Total		<u>\$ 7,271,789</u>

(9) Interfund Balances and Activities:

Interfund balances at year-end are temporary loans to fund grant activities pending reimbursement. Interfund loans are repaid upon receipt of grant proceeds. The temporary loans from the General Fund to the Special Revenue Fund are classified as due to/from other funds total \$27,641,805.

The District makes routine transfers among its funds during the fiscal year. The principal purpose of the transfers is to allocate resources for capital projects and to provide operating subsidies to the General Fund. These transfers are consistent with the activities of the funds involved. The \$446,559 transfer from the Special Revenue Fund to the General Fund were for administrative expenditures associated with federal, state of Florida, and local grants. The \$9,538,898 transfer from the General Fund to the Capital Projects Fund is to fund major capital expenditures with District funding sources.

(10) Other Post-Employment Benefits (OPEB):

Plan Description

The District administers a single-employer healthcare plan that provides medical and dental benefits utilizing Florida Blue, respectively, as well as a voluntary vision plan to eligible retired employees. Coverage is extended to qualifying dependents of retirees. If the retiree predeceases the spouse,

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
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SEPTEMBER 30, 2023

(10) Other Post-Employment Benefits (OPEB) (Continued):

coverage for the surviving spouse and qualifying dependents continues. A participant is eligible to receive benefits from the District's plan upon retirement under the Florida Retirement System plan provisions.

Employees enrolled in FRS prior to July 1, 2011 — *Unreduced Retirement under FRS*: Age 62 with 6 years of service, or any age with 30 years of service. *Early Retirement under FRS*: Any age and 6 years of service.

Employees enrolled in FRS on or after July 1, 2011 — *Unreduced Retirement under FRS*: Age 65 with 8 years of service, or any age with 33 years of service. *Early Retirement under FRS*: Any age and 8 years of service.

To be eligible for retiree medical and dental benefits, the participant must have been covered under the medical plan as an active employee immediately prior to retirement. Also, participants not eligible for retirement at the time of their termination are not eligible for immediate future benefits from the plan. Eligible retirees and beneficiaries receive a monthly Health Insurance Subsidy (HIS Plan) payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, *Florida Statutes*. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of health insurance coverage, which may include Medicare. The District accounts for this plan in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The plan does not issue a separate financial report.

As of October 1, 2021, there were 33 retirees and spouses of retirees (inactive employees) and 420 active employees covered by the benefit terms.

Participants qualifying for retirement are eligible to elect to enter a deferred retirement option (DROP) feature of the FRS for a period of up to 96 months. For this valuation, medical claims incurred while a retiree is in the DROP are not considered a liability under GASB Statement No. 75.

The contribution requirement of plan members are established and may be amended by the District's Governing Board. The District, in accordance with Section 112.0801, *Florida Statutes*, makes the health and dental benefits available for retired employees at a premium cost of no more than applicable to active employees. However, the retirees pay 100 percent of their premium costs. To determine the health care plan costs, the District is required to commingle the claims experience of the retiree group with that of the active employees. The table listed below summarizes monthly retiree contributions for the measurement period ending September 30, 2022, as FY 2022-23 is a roll-forward year.

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(10) Other Post-Employment Benefits (OPEB) (Continued):

Period	Plan	Retiree	Retiree + Family
January-December 2018	Blue Options – High Deductible	\$839.64	\$1,855.59
January-December 2019	Blue Options – High Deductible	\$792.59	\$1,752.59
January-September 2020	Blue Options – High Deductible	\$886.68	\$1,956.84
January-September 2021	Blue Options – High Deductible	\$878.74	\$1,923.84
January-September 2022	Blue Options – High Deductible	\$846.38	\$1,868.59

Date Relationships and Funded Status

This is a roll forward year for determining the OPEB liability. The Valuation Date is October 1, 2021. This is the date as of which the actuarial valuation is performed. The Measurement Date is September 30, 2021. This is the date as of which the total OPEB liability is determined. The reporting date is September 30, 2023. This is the plan's and/ or District's fiscal year ending date. There is a two-year lag between the measurement date and the roll forward reporting date, as allowed by GASB Statement 75.

As of October 1, 2021, the most recent actuarial valuation date, the OPEB plan is funded on a pay-as-you-go basis with no accumulated net assets in the GASB-compliant trust. The actuarial total OPEB liability was determined by an actuarial valuation as of October 1, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Total OPEB Liability — The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below. There have been no significant changes between the valuation date and the fiscal year end. Any significant changes during this period must be reflected as prescribed by GASB 75.

Total OPEB Liability	Reporting Date	9/30/2023	9/30/2022
	Measurement Date	9/30/2022	9/30/2021
Total OPEB Liability		\$ 3,702,251	\$ 3,751,328
Covered employee payroll		\$34,968,200	\$30,913,064
Total OPEB liability as a % of covered employee payroll		10.6%	12.1%

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(10) Other Post-Employment Benefits (OPEB) (Continued):

<u>Changes in Total OPEB Liability</u>	Amount Recognized Increase (Decrease) Total OPEB Liability
Balance as of September 30, 2022	\$ 3,751,328
Changes for the year:	
Service Cost	84,294
Interest on total OPEB liability	154,192
Effect of plan changes	-
Effect of differences between expected and actual experience	(25,290)
Effects of assumptions changed or inputs	-
Benefits Payments	-
Implicit Rate Subsidy	(262,273)
Balance of September 30, 2023	\$ 3,702,251

As of September 30, 2023, the District's OPEB expense for the reporting period are as follows:

	10/1/22 to 9/30/23
OPEB Expense for Reporting Period	\$ 238,486
Recognition of Deferred Inflows/Outflows of Resources	(112,546)
OPEB Expense	\$ 125,940

As of September 30, 2023 the deferred inflows and outflows of resources are as follows:

Deferred Inflows/Outflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 114,706	\$ 740,680
Changes of assumptions	-	-
Employer contributions subsequent to measurement date	262,273	-
Total	\$ 376,979	\$ 740,680

The deferred outflows of resources related to OPEB, totaling \$262,273 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the total liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
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(10) Other Post-Employment Benefits (OPEB) (Continued):

expense, amortized over a closed period equal to the average of the expected remaining service lives of all employees that are proved with benefits through the OPEB plan beginning in the current period are as follows:

<u>Year ended September 30</u>	<u>Amount</u>
2024	\$ (106,736)
2025	(166,005)
2026	(183,758)
2027	(104,851)
2028	(62,325)
Thereafter	(2,299)
Total	<u>(\$ 624,974)</u>

Actuary valuations and assumptions — Actuary valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

Discount Rate — The discount rate was based on the Bond Buyer's 20-Bond GO Index. The discount rate used for the September 30, 2021 measurement date was 2.26 percent and the discount rate used for September 30, 2022, year-end disclosures will be based on the index as of September 30, 2023, which is 4.09 percent per annum.

Other Key Actuarial Assumptions — Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used includes techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The provisions of the Plan were assumed to remain in place in future years. No improvements to post-retirement benefits in future years were assumed. 2021 PPA Mortality Table (RP-2014, base year 2006, adjusted to 2021 with Mortality Improvement Scale MP-2019). Sample rates of mortality per 1,000 lives are as follows:

<u>Age</u>	<u>Males</u>	<u>Females</u>
35	0.5	0.3
45	0.8	0.5
55	2.6	1.6
65	9.4	6.5
75	24.7	18.6
85	77.1	61.7

The above rates give consideration to future mortality improvements.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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(10) Other Post-Employment Benefits (OPEB) (Concluded):

The trend assumptions for medical and pharmacy costs are summarized below:

<u>Year</u>	<u>Percentage Trend</u>
2021	4.5%
2022	4.5%
2023	4.5%

The ultimate healthcare trend rate is 4.5 percent. Salary increases assumed at 2.5 percent.

Election of Coverage — It is assumed that 50 percent of retirees elect medical coverage. It is further assumed that no retirees continue coverage after Medicare eligibility. Currently, only one retiree has declined Medicare coverage, and this retiree is assumed to continue to decline Medicare coverage at a 50 percent rate.

It is also assumed that 30 percent of retirees elect spousal coverage. It is assumed that retirees do not choose dependent coverage other than for their spouse.

Sensitivity Analysis — The following presents the total OPEB liability of the District, calculated using the discount rate of 4.09 percent, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.09 percent) or one percentage point higher (5.09 percent) than the current rate.

Discount Rate Sensitivity

	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
Total OPEB Liability	\$4,177,815	\$3,702,251	\$3,315,001

The following presents the total OPEB liability of the District, calculated using the current healthcare cost trend rates as well what the District's total OPEB liability would be if it were calculated using trend rates that are one percentage point lower or one percentage point higher than the current trend rates.

Health Trend Rate Sensitivity

	1% Decrease (3.5%)	Current Trend Rate (4.5%)	1% Increase (5.5%)
Total OPEB Liability	\$3,251,630	\$3,702,251	\$4,257,430

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
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(11) Long-Term Obligations:

Changes in long-term liabilities for the fiscal year ended September 30, 2023, follows:

Governmental Activities:	Balance October 1, 2022	Additions	Reductions	Balance September 30, 2023	Due Within One Year
General long-term obligations:					
Accrued compensated absences	\$ 4,105,913	\$ 3,408,690	\$ 2,991,690	\$ 4,522,913	\$ 403,913
Pension (FRS)	26,710,364	1,620,735	-	28,331,099	-
Health Insurance Subsidy (HIS)	8,882,467	4,857,890	-	13,740,357	-
GASB 87 - Right-to-use lease	2,066,306	101,728	49,432	2,118,602	55,666
GASB 96 - SBITA	-	797,543	234,001	563,542	245,483
OPEB	<u>3,751,328</u>	<u>-</u>	<u>49,077</u>	<u>3,702,251</u>	<u>-</u>
Total governmental activity long-term obligations	<u>\$45,516,378</u>	<u>\$10,786,586</u>	<u>\$ 3,324,200</u>	<u>\$ 52,978,764</u>	<u>\$ 705,062</u>

Compensated absences, pension (FRS), health insurance subsidy (HIS) and other postemployment benefits (OPEB) are generally liquidated by the general fund.

(12) Contingent Liabilities:

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts to be immaterial. The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's management, the resolution of these matters will not have a material adverse effect on the financial condition of the District. There are no material contingent liabilities outstanding at this time.

(13) Retirement Plans:

Florida Retirement System (FRS):

General Information — All of the District's employees participate in the FRS. As provided by Chapters 121 and 112, *Florida Statutes*, the FRS provides two cost-sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, *Florida Statutes*, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
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(13) Retirement Plans (Continued):

are established by Chapter 121, *Florida Statutes*, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature. The state of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the state of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000, or from the web site: www.dms.myflorida.com.

Pension Plan

Plan Description — The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided — Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6 percent of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0 percent of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for all these members will be based on the eight highest years of salary.

In Section 121.101, *Florida Statutes*, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of the 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 96 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(13) Retirement Plans (Continued):

Contributions — Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute 3 percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2022, through June 30, 2023, and from July 1, 2023, through September 30, 2023, respectively, were as follows: Regular—11.91 percent and 13.57 percent; Senior Management Service—31.57 percent and 34.52 percent; and DROP participants—18.60 percent and 21.13 percent. Also, these employer contribution rates include 1.66 percent, from October 1, 2022 through June 30, 2023, and 2.00 percent, from July 1, 2023 through September 30, 2023, for the HIS Plan subsidy and a 0.06 percent administrative/educational fee.

The District's contribution to the FRS for the fiscal year ended September 30, 2023, was \$3,698,288.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions — At September 30, 2023, the District reported a liability of \$28,331,099 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net pension liability was based on the District's 2022–23 fiscal year contributions relative to the 2021–22 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.071099997 percent, which was a decrease of 1.0 percent from its share measured as of June 30, 2022.

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

13) Retirement Plans (Continued):

- Changes in proportion and differences between contributions and proportionate share of contributions are amortized over the average expected remaining service life of all employees that provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments — amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense; however, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2023, was 5.3 years for FRS and 6.3 years for HIS. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended September 30, 2023, are presented below for the FRS Pension Plan.

Service cost	\$ 1,969,556
Interest cost	10,189,732
Effect of plan changes	947,697
Effect of economic/demographic gains or losses (differences Between expected and actual experience)	832,136
Effect of assumptions changes or inputs	1,411,177
Member contributions	(560,881)
Projected investment earnings	(8,415,869)
Net difference between projected and actual investment earnings	(525,008)
Administrative expenses	<u>19,231</u>
Total	5,867,771
Net amortization of employer-specific amounts due to changes in employer proportion	<u>(604,377)</u>
Total employer total pension expense	<u><u>\$ 5,263,393</u></u>

For the fiscal year ended September 30, 2023, the District recognized pension expense of \$5,263,393. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,660,046	\$ -
Change of assumptions	1,846,856	-
Net differences between projected and actual earnings on Pension Plan investments	1,183,183	-
Changes in proportion and differences between District Pension Plan contributions and proportionate share of contributions	154,590	1,335,217
District Pension Plan contributions subsequent to the measurement date	<u>1,046,612</u>	<u>-</u>
Total	<u><u>\$ 6,891,287</u></u>	<u><u>\$ 1,335,217</u></u>

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(13) Retirement Plans (Continued):

The deferred outflows of resources related to the Pension Plan, totaling \$1,046,612 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

<u>Year ended September 30</u>	<u>Amount</u>
2024	\$270,590
2025	(682,393)
2026	4,485,864
2027	319,884
2028	115,513
Total	<u>\$4,509,458</u>

Actuarial Methods and Assumptions — The FRS Actuarial Assumptions Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), *Florida Statutes*. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 valuation is performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 3.25 percent. Payroll growth, including inflation, for both plans is assumed at 3.25 percent. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70 percent. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65 percent was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both the FRS Pension Plan and the HIS Program were based on the PUB-2010 base table, (refer to the FRS ACFR for more information — see Note 5). The following changes in actuarial assumptions occurred in 2023:

- HIS: The discount rate was modified to reflect the change in value of the municipal bond index between GASB measurement dates.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(13) Retirement Plans (Continued):

- HIS: Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from \$5 times years of service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate — The following represents the District's proportionate share of the net pension liability calculated using the discount rate of (6.70 percent), as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70 percent) or one percentage point higher (7.70 percent) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
District's proportionate share of net pension liability(asset)	\$48,395,285	\$28,331,099	\$11,545,006

Pension Plan Fiduciary Net Position — Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

HIS Plan

Plan Description — The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, *Florida Statutes*. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs.

Benefits Provided — For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50, which is an increase from \$5. The minimum payment is \$45, which is an increase from \$30 and the maximum payment is \$225, which is an increase from \$150 per month, pursuant to section 112.363, *Florida Statutes*. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of health insurance coverage, which may include Medicare.

Contributions — The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2022, the HIS contribution rate was 1.66 percent from October 1, 2022 through June 30, 2023, and 2.00 percent from July 1, 2023 through September 30, 2023, and the District's contributions totaled \$618,530.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(13) Retirement Plans (Continued):

The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation.

In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions — At September 30, 2023, the District reported a liability of \$13,740,357 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation update as of July 1, 2023.

The District's proportionate share of the net pension liability was based on the District's 2022–23 fiscal year contributions relative to the 2021–22 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.086518908 percent, which was an increase of 3.2 percent from its proportionate share measured as of June 30, 2022.

The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended September 30, 2023, are presented on the following page for the HIS Plan.

Service cost	\$ 180,209
Interest cost	339,058
Plan changes	4,841,856
Effect of economic/demographic gains or losses (differences between expected and actual experience)	68,921
Effect of assumptions changes or inputs	(258,247)
Projected investment earnings	(18,269)
Member contributions	(192)
Net difference between projected and actual investment earnings	4,397
Administrative expenses	<u>183</u>
Total	5,157,917
Net amortization of employer-specific amounts due to changes in employer proportion	<u>(464,616)</u>
Total employer total pension expense	<u><u>\$4,693,301</u></u>

For the fiscal year ended September 30, 2023, the District recognized pension expense of \$4,693,301. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(13) Retirement Plans (Continued):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 201,149	\$ 32,251
Change of assumptions	361,230	1,190,648
Net differences between projected and actual earnings on HIS Plan investments	7,096	-
Changes in proportion and differences between District HIS Plan contributions and proportionate share of contributions	253,181	1,170,036
District HIS Plan contributions subsequent to the measurement date	193,967	-
Total	<u>\$ 1,016,623</u>	<u>\$ 2,392,935</u>

The deferred outflows of resources related to the HIS Plan, totaling \$193,967 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

<u>Year ended September 30</u>	<u>Amount</u>
2024	(\$ 508,766)
2025	(358,887)
2026	(324,936)
2027	(288,080)
2028	(96,942)
Thereafter	5,032
Total	<u>(\$1,570,279)</u>

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate — The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 3.65 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.65 percent) or one percentage point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
District's proportionate share of net pension liability(asset)	\$15,675,602	\$13,740,357	\$12,136,168

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the state of Florida Annual Comprehensive Financial Report.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(13) Retirement Plans (Continued):

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds.

Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature.

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class and Senior Management), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. As established by Section 121.72, *Florida Statutes*, fiscal year 2023 contributions are based on a percentage of gross compensation, by class, as follows: Regular class 13.57 percent and Senior Management Service class 34.52 percent for the employer contribution and 3 percent for all employee contributions.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings.

If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years.

If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(13) Retirement Plans (Concluded):

income. The District's Investment Plan pension contributions totaled \$1,209,254 for the fiscal year ended September 30, 2023.

Aggregate Financial Pension Disclosure — Below are the aggregate pension liabilities, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense for the period associated with net pension liabilities:

	Proportionate Share of Pension Liabilities	Pension Expense	Pension Deferred Outflows of Resources	Pension Deferred Inflows of Resources
FRS Pension Plan	\$ 28,331,099	\$ 5,263,394	\$ 6,891,287	\$ 1,335,217
HIS Plan	<u>13,740,357</u>	<u>4,693,301</u>	<u>1,016,623</u>	<u>2,392,935</u>
Total	<u>\$ 42,071,456</u>	<u>\$ 9,956,695</u>	<u>\$ 7,907,910</u>	<u>\$ 3,728,152</u>

Deferred Compensation — The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all regular payroll District employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen financial emergency. The District ceased matching contributions to the 401a plan as of September 30, 2011. Participation under the 457 plan is solely at the discretion of the employee. As of September 30, 2023, 311 employees and former employees had \$6,646,715 actively invested in the 401a plan. The District has no liability for losses under the 457 or 401a plan but does have the duty of due care that would be required of an ordinary prudent investor. The District does not have a fiduciary relationship with the plan. Therefore, the assets and liabilities related to the plan are not recorded in the District's financial statements.

(14) State Trust Funds:

According to *Florida Statute*, the District is entitled to monies from the state of Florida that are allocated and appropriated to various trust funds. The Florida Department of Environmental Protection has oversight responsibility for the trust funds and releases funds to the District for various programs when eligibility requirements have been met. It is the District's policy to recognize monies received through these state trust funds as intergovernmental revenues at the time an eligible cost has been incurred. Some state trust fund monies are advanced to the District before all eligibility requirements are met. These monies are classified as unearned revenue in the special revenue fund until the eligibility requirements are met, then they are recognized as state revenue.

The Alternative Water Supply Program was established in 2005 pursuant to Chapter 373.1961, *Florida Statutes*. The program is funded through a distribution of a portion of revenues received by the Florida Water Protection and Sustainability Trust Fund from documentary stamp taxes

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(14) State Trust Funds (Concluded):

collected by the state. The program was established for the development of alternative water supplies. The monies are available to assist counties, municipalities, special districts, publicly owned and privately owned water utilities, multi-jurisdictional water supply entities, or regional water supply authorities. Revenues received and expenditures made from the trust fund are accounted for in the special revenue fund.

The Land Acquisition Trust Fund was established in 2015 pursuant to Chapter 20.106, *Florida Statutes*. The program is funded through a distribution of a portion of revenues received by the trust fund from documentary stamp taxes collected by the state. The trust fund was established with the primary purpose of maintaining and enhancing the habitat value for fish and wildlife. Other uses may be allowed that are not contrary to this purpose. Revenues received and expenditures made from the trust fund are accounted for in the special revenue fund.

(15) Risk Management:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. For road vehicles, the District only insures for auto liability. All personal property (contents) are insured regardless of value at each insured location specifically listed on the property schedule. Settlements have not exceeded insurance coverage for any of the past three fiscal years.

(16) Mitigation Bank Financial Responsibility Assurances:

The District is authorized by Section 373.4136, *Florida Statutes*, to permit the establishment of mitigation banks. A permit applicant proposing the establishment of a mitigation bank is required to demonstrate the financial ability to conduct the mitigation activities, any necessary site management, monitoring of the mitigation, and any necessary corrective action indicated by the monitoring. The mitigation banks can provide the demonstrated financial assurance by obtaining a surety bond, performance bond, irrevocable letter of credit, or establishing a trust fund.

If a bond or an irrevocable letter of credit is used, a standby trust fund shall be established in which all payments under the bonds or letters of credit shall be directly deposited. If the mitigation banks fail to comply with the terms and conditions of the permit, the District may draw upon the financial assurance provided by the mitigation bank. As of September 30, 2023, the District estimates the value of the financial assurances provided by the various mitigation banks is \$25,044,600.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(17) Fund Balance Disclosure:

In accordance with Governmental Accounting Standards Board Statement (GASB) 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balances as follows:

Nonspendable fund balance — includes fund balance amounts that cannot be spent either because they are (a) not in spendable form such as inventory assets and prepaid items, such as leases, software licenses, insurances, advanced employee Health Savings Account contributions and tax collector and property appraiser commissions or (b) legally or contractually required to be maintained intact such as a permanent endowment fund.

Spendable Fund Balance –

- Restricted — includes fund balance amounts that are restricted to specific purposes. The restrictions placed on the use of resources that identify and describe circumstances under which a need for funds arise must either be (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed — includes fund balance amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specific use by taking the same type of action it employed to previously commit those amounts. Fund balance may be committed for such purposes including, but not limited to: (a) future major maintenance and repair projects; (b) meeting future obligations resulting from a disaster; (c) accumulating resources pursuant to stabilization arrangements; and/or (d) for setting aside amounts for specific projects.

Commitment of fund balance may be made from time-to-time by resolution of the Governing Board. Commitments may be changed or lifted only by the Governing Board taking the same formal action that imposed the constraint originally (i.e., by resolution).

- Assigned — includes fund balance amounts that executive management intends for specific purposes that do not meet the accounting standards definition of restricted or committed under the authority of Governing Board Policy 310 – Fund Balance and Reserves.
- Unassigned — includes the residual classification for the General Fund and represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The general fund is the only fund that it is appropriate to report a positive unassigned fund balance.

The District's General Fund Balance and Reserves Policy is to set aside reserves to provide sufficient liquidity for operations pending initial property tax distributions, address unforeseen and

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(17) Fund Balance Disclosure (Continued):

unexpected events, emergencies, and to offset unexpected downturns in revenues from budgeted estimates, and constrain resources for specific future purposes. The District will maintain Fund Balance, as defined herein, in accordance with GASB 54 and as recommended by the Government Finance Officers Association.

The District reduces restricted fund balance amounts first when both restricted and unrestricted fund balances including committed, assigned and unassigned are available, and when expenditures are incurred for the purposes for which amounts in the restricted fund balance could be used unless there are legal documents/contracts that prohibit doing this or perpetual land management/acquisition endowments, which the District would prefer to preserve into the future, therefore, using other available revenues to fund these ongoing expenditures. Regarding unrestricted fund balance, committed amounts would be reduced first, 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. The District designates an Economic Stabilization Reserve within the District's General Fund balance equal to two months (16.7 percent) of operating expenditures (excludes fixed capital outlay and cooperative funding) of the General Fund based on the subsequent year's approved budget. The Economic Stabilization Reserve shall be reported as Committed Fund Balance and established annually for the next fiscal year prior to the end of the current fiscal year by inclusion in the Governing Board resolution establishing Committed Fund Balance amounts. The purpose of the Economic Stabilization Reserve is to provide sufficient funds for unforeseen and unexpected events, meet major emergencies and ensure the District's continued orderly operational and financial stability. Utilization of funds from the Economic Stabilization Reserve is limited to the following circumstances:

- (1) when a state of emergency is declared by the Governor or President of the United States;
or
- (2) when the Governing Board determines through a resolution that: (a) an emergency or other circumstances has arisen that creates an unanticipated need for additional revenues that are not available through other funding sources; (b) the underlying condition directly impacts the citizens and/or environment within District boundaries; and (c) remedial action cannot wait until the next fiscal year. In the event of an emergency, the Executive Director or his/her designee may take necessary action as a time sensitive matter in accordance with District Policy 120; or
- (3) when anticipated or realized revenues from ad valorem sources within a specific fiscal period are at least 10 percent less than the revenue realized over the prior year.

If funds are appropriated from the Economic Stabilization Reserve, the District is required to re-establish the minimum Economic Stabilization Reserve balance within the three fiscal-year period following the year in which such funds are appropriated.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(17) Fund Balance Disclosure (Concluded):

A schedule of District fund balances at September 30, 2023, follows:

Fund Balances:	General Fund	Special Revenue Fund	Capital Projects Fund	Total All Funds
<u>Nonspendable:</u>				
Inventories and Prepaid Costs	\$ 811,726	\$ -	\$ -	\$ 811,726
<u>Spendable:</u>				
<u>Restricted for:</u>				
Lake Apopka Wildlife Drive	-	4,199	-	4,199
Alternative Water Supply	-	2,046,370	-	2,046,370
Mitigation Endowment	-	14,743,887	-	14,743,887
Total Restricted	-	16,794,456	-	16,794,456
<u>Committed for:</u>				
Indian River Lagoon Protection	7,404,298	-	-	7,404,298
Land Management/Acquisition	-	10,236,617	-	10,236,617
Springs Prevention/Recovery Strategy	10,783,555	-	-	10,783,555
Economic Stabilization Reserve	12,872,926	-	-	12,872,926
Taylor Creek Reservoir	20,000,000	-	-	20,000,000
Cooperative Projects Funding Program	38,053,290	-	-	38,053,290
Black Creek Water Resource Development	53,849,310	-	-	53,849,310
Total Committed	142,963,379	10,236,617	-	153,199,996
<u>Assigned for:</u>				
Information Technology	5,138	-	-	5,138
Repair/Maintenance of Property and Works	9,620	-	-	9,620
Financial Services	11,913	-	-	11,913
Educational Supplies	25,275	-	-	25,275
Scientific Research and Analysis	39,600	-	-	39,600
Central Florida Water Int. Technical Editor	50,000	-	-	50,000
Modeling	69,829	-	-	69,829
Water Well Capping and Plugging	77,024	-	-	77,024
Training Services	82,500	-	-	82,500
Consultant Services	112,796	-	-	112,796
Lake Jesup In-Lake Phosphorus Reduction	129,985	-	-	129,985
Legal Services	184,160	-	-	184,160
Field, Facilities and Fleet	672,806	-	-	672,806
Water Resources Information	1,077,907	-	-	1,077,907
Infrastructure Improvements	-	-	5,705,143	5,705,143
Total Assigned	2,548,553	-	5,705,143	8,253,696
<u>Unassigned:</u>	5,453,363	-	-	5,453,363
Totals All Funds	\$151,777,021	\$27,031,073	\$ 5,705,143	\$ 184,513,237

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(18) Classification of Expenditures by State of Florida Categories:

The state of Florida uses the following expenditure categories in its Annual Comprehensive Financial Report — Other Required Supplementary Information and Combining and Individual Fund Statements and Schedules — Nonmajor Funds sections, Budgetary Comparison Schedules, below is a schedule of the District's budget and expenditures classified by these categories:

	Original Budget	Final Budget	Actual	Variance with Final Budget
Salaries and benefits	\$59,058,050	\$59,058,050	\$50,209,861	\$ 8,848,189
Expenses	27,845,426	28,868,513	21,923,413	6,945,100
Grants and aids	100,677,505	103,797,904	36,464,975	67,332,929
Operating capital outlay	3,232,577	3,668,379	1,925,602	1,742,778
Fixed capital outlay	105,462,848	106,664,237	36,131,172	70,533,065
GASB 96 - Intangibles	-	797,543	797,543	-
GASB 87 – Debt services	-	421,780	421,780	-
Total expenditures	<u>\$296,276,406</u>	<u>\$303,276,406</u>	<u>\$147,874,346</u>	<u>\$155,402,061</u>

A further breakdown using the state of Florida model detailed by fund is presented in the Required Supplemental Information Other Than MD&A and Combining and Other Supplemental Information sections in the Budget and Actual schedules presented as set forth in Section under 373.536(5)(e)4, *Florida Statutes*.

(19) Implementation of Accounting Standards:

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, effective for the District's fiscal year beginning October 1, 2023. The objective of Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The District is currently evaluating the effect that Statement No. 101 will have on its financial statements.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(19) Implementation of Accounting Standards (Concluded):

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*, effective for the District's fiscal year beginning October 1, 2024. The objective of Statement No. 102 is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The District is currently evaluating the effect that Statement No. 102 will have on its financial statements.

(20) Subsequent Events:

On May 11, 2021, the Governing Board adopted new minimum flows and levels (MFLs) for Lakes Brooklyn and Geneva (B&G) and determined that these MFLs were not being met. The Governing Board also approved a recovery strategy called B&G Recovery Strategy to address the deficits through the construction, operation and maintenance of the Black Creek Water Resource Development Project (Black Creek WRD) which will directly augment Lakes Brooklyn and Geneva and also recharge the Floridan Aquifer in the vicinity of the lakes to sufficiently enable these lakes to meet the MFLs. The B&G Recovery Strategy allows entities holding CUPs, whose authorized water withdrawals contribute to the deficit for the Lakes Brooklyn and Geneva MFLs, to participate financially in the construction, operation and maintenance of the Black Creek WRD as a means of addressing their proportional share of the required recovery of the MFLs for Lakes Brooklyn and Geneva and to ensure their future water use complies with the Lakes Brooklyn and Geneva MFL criteria.

Clay County Utility Authority (CCUA), Gainesville Regional Utilities (GRU), JEA, and St. Johns County have executed cost participation agreements for the construction, operation and maintenance of the Black Creek WRD and paid advance lump sum amounts by November 1, 2021, representing one-half of their total proportional share of the Black Creek WRD to the Florida Department of Financial Services as Escrow Agent (see note 3).

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(20) Subsequent Events (Concluded):

The second payment from each participant was paid by November 1, 2023, as follows:

<u>Entity</u>	<u>Funding Source</u>	<u>Amount</u>
CCUA	Local – Black Creek Water Resource Development	\$ 3,632,438
GRU	Local – Black Creek Water Resource Development	1,355,387
JEA	Local – Black Creek Water Resource Development	3,686,654
St. Johns County	Local – Black Creek Water Resource Development	921,663
Total		<u>\$ 9,596,142</u>



Fort Drum Marsh Conservation Area

*Required Supplementary Information
Other Than MD&A (Unaudited)*

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Ad valorem property taxes	\$ 95,464,449	\$ 95,464,449	\$ 95,473,023	\$ 8,574
Investment earnings	1,290,000	1,290,000	6,490,268	5,200,268
Licenses and permits	2,125,000	2,125,000	2,437,258	312,258
Fines and penalties	-	-	185,000	185,000
Other	243,600	243,600	997,258	753,658
Total revenues	99,123,049	99,123,049	105,582,807	6,459,758
EXPENDITURES				
Water resources planning and monitoring				
Salaries and benefits	14,018,557	14,018,467	11,946,290	2,072,177
Contracted services	4,433,574	3,933,436	2,387,439	1,545,997
Expenses	1,122,249	1,216,760	1,114,128	102,632
Operating capital outlay	450,360	417,669	323,083	94,586
Fixed capital outlay	-	45,359	14,616	30,743
Intangibles	-	185,509	185,509	-
Total water resources planning and monitoring	20,024,740	19,817,200	15,971,065	3,846,135
Acquisition, restoration and public works				
Salaries and benefits	10,156,228	10,213,931	9,021,781	1,192,150
Contracted services	2,410,709	2,560,333	1,997,692	562,641
Expenses	348,590	353,910	316,665	37,245
Operating capital outlay	1,105,375	1,106,666	97,567	1,009,099
Fixed capital outlay	3,221,247	2,423,704	494,558	1,929,146
Grants and aids	39,772,644	37,865,439	12,132,392	25,733,047
Intangibles	-	124,177	124,177	-
Total acquisition, restoration and public works	57,014,793	54,648,160	24,184,832	30,463,328
Operation and maintenance of lands and works				
Salaries and benefits	9,133,259	9,133,216	8,467,914	665,302
Contracted services	2,030,421	1,833,473	1,576,872	256,601
Expenses	4,071,015	4,705,203	4,233,387	471,816
Operating capital outlay	1,537,708	1,782,241	1,331,679	450,562
Fixed capital outlay	169,074	651,474	306,032	345,442
Intangibles	-	136,619	136,619	-
Total operation and maintenance of lands and works	16,941,477	18,242,226	16,052,503	2,189,723

(Continued)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Regulation				
Salaries and benefits	16,654,011	16,595,946	13,299,853	3,296,093
Contracted services	520,785	558,905	386,226	172,679
Expenses	523,761	558,680	486,713	71,967
Operating capital outlay	75,924	89,791	84,080	5,711
Intangibles	-	192,687	192,687	-
Total regulation	17,774,481	17,996,009	14,449,559	3,546,450
Outreach				
Salaries and benefits	1,414,812	1,414,806	1,082,118	332,688
Contracted services	64,703	63,537	41,113	22,424
Expenses	117,949	363,621	276,879	86,742
Operating capital outlay	5,687	6,715	6,298	417
Intangibles	-	14,276	14,276	-
Total outreach	1,603,151	1,862,955	1,420,684	442,271
Management and administration				
Salaries and benefits	6,995,814	6,996,315	6,019,602	976,713
Contracted services	583,629	767,390	554,179	213,211
Expenses	3,306,952	3,338,342	3,060,170	278,172
Operating capital outlay	57,523	67,906	63,630	4,276
Intangibles	-	144,275	144,275	-
Total management and administration	10,943,918	11,314,228	9,841,856	1,472,372
Debt services - principal and interest	-	421,780	421,780	-
Total expenditures	124,302,560	123,880,778	82,342,279	41,960,279
Excess of revenues over (under) expenditures	(25,179,511)	(24,757,729)	23,240,528	47,998,257
Other financing sources (uses)				
Transfers in	-	-	446,559	446,559
Transfers out	(17,861,311)	(17,861,311)	(9,538,898)	8,322,413
Sale of capital assets	-	-	29,596	29,596
Insurance/ loss recovery	-	-	86,871	86,871
Lease and SBITA financing	-	-	797,543	797,543
Total other financing sources (uses)	(17,861,311)	(17,861,311)	(8,178,329)	8,885,439
Net change in fund balance	(43,040,822)	(42,619,040)	15,062,199	56,883,696
Fund balance, beginning of year	136,714,822	136,714,822	136,714,822	-
Fund balance, end of year	\$ 93,674,000	\$ 94,095,782	\$ 151,777,021	\$ 56,883,696

The accompanying notes to the Required Supplemental Information are an integral part of this schedule.

(Concluded)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
State				
Dept. of Environmental Protection	\$ 104,530,855	\$ 104,067,688	\$ 41,502,512	\$ (62,565,176)
Dept. of Transportation	1,576,135	1,576,135	904,674	(671,461)
Fish & Wildlife Conservation Co.	559,859	959,859	714,607	(245,252)
Division of Emergency Mgmt.	-	-	6,884	6,884
Total State	106,666,849	106,603,682	43,128,677	(63,475,005)
Federal				
Dept. of the Treasury	17,171,872	17,229,879	10,201,257	(7,028,622)
Dept. of Defense	-	-	227,798	227,798
Environmental Protection Agency	106,390	106,390	98,444	(7,946)
United States Geological Survey	21,943	21,943	21,943	-
Dept. of Interior/Fish and Wildlife	5,160	5,160	5,161	1
Total Federal	17,305,365	17,363,372	10,554,603	(6,808,769)
Investment earnings	-	-	332,941	332,941
Local mitigation	-	-	14,228	14,228
Cities and counties	2,073,944	2,073,944	26,254	(2,047,690)
Lease and timber sales	1,700,000	1,700,000	2,650,643	950,643
Other				
Utilities/ other	9,635,605	9,635,605	5,150,870	(4,484,735)
Water managements	332,424	332,424	253,937	(78,487)
Total Other	9,968,029	9,968,029	5,404,807	(4,563,222)
Total revenues	137,714,187	137,709,027	62,112,153	(75,596,874)
EXPENDITURES				
Water resources planning/monitoring				
Salaries and benefits	327,006	327,006	176,409	150,597
Contracted services	1,794,577	1,780,833	824,224	956,609
Expenses	100,208	148,045	115,338	32,707
Operating capital outlay	-	19,265	19,265	-
Total water resources planning and monitoring	2,221,791	2,275,149	1,135,236	1,139,913
Acquisition, restoration/public works				
Salaries and benefits	358,363	358,363	195,894	162,469
Contracted services	1,098,438	1,342,434	521,388	821,046
Expenses	8,086	463,286	415,288	47,998
Fixed capital outlay	69,726,497	69,680,112	29,278,475	40,401,637
Grants and aids	60,904,860	65,932,465	24,332,583	41,599,882
Total acquisition, restoration and public works	132,096,244	137,776,660	54,743,628	83,033,032

(Continued)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Operation and maintenance of lands/works				
Contracted services	3,001,988	2,960,692	2,291,548	669,144
Expenses	2,266,447	1,876,218	1,284,153	592,065
Operating capital outlay	-	178,126	-	178,126
Fixed capital outlay	334,700	1,852,257	1,528,314	323,943
Total operation and maintenance of lands and works	5,603,135	6,867,293	5,104,015	1,763,278
Regulation				
Contracted services	22,441	23,575	21,914	1,661
Expenses	242	242	36	206
Total regulation	22,683	23,817	21,950	1,867
Outreach				
Contracted services	1,662	1,746	1,623	123
Expenses	18	18	3	15
Total outreach	1,680	1,764	1,626	138
Management and administration				
Contracted services	16,802	17,652	16,408	1,244
Expenses	181	181	27	154
Total management and admin.	16,983	17,833	16,435	1,398
Total expenditures	139,962,516	146,962,516	61,022,890	85,939,282
Excess of revenues over (under) expenditures	(2,248,329)	(9,253,489)	1,089,263	10,342,752
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(446,559)	(446,559)
Sale of capital assets	-	-	1,313,266	1,313,266
Total other financing sources (uses)	-	-	866,707	866,707
Net change in fund balance	(2,248,329)	(9,253,489)	1,955,970	11,209,459
Fund balance, beginning of year	25,075,103	25,075,103	25,075,103	-
Fund balance, end of year	<u>\$ 22,826,774</u>	<u>\$ 15,821,614</u>	<u>\$ 27,031,073</u>	<u>\$ 11,209,459</u>

The accompanying notes to the Required Supplemental Information are an integral part of this schedule.

(Concluded)



Lake Norris Conservation Area

Notes to Budgetary Comparison Schedules

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULES
SEPTEMBER 30, 2023

Budgetary Information — Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States for all governmental funds and may be amended by the District's Governing Board for supplemental budgetary appropriations. Appropriations validly encumbered at year end are carried forward to the following fiscal year and added to the adopted budget. Appropriations that are not expended or encumbered lapse at the end of the fiscal year.

Budgetary control is exercised by fund and major expenditure program category and major object classification. The major categories are water resources planning and monitoring; acquisition, restoration and public works; operation and maintenance of lands and works; regulation; outreach; and District management and administration [see note 1(f) of the Notes to Financial Statements for more information]. The major object classifications are salaries and benefits; contractual services; general expenses; materials and supplies; operating capital outlay; fixed capital outlay; land acquisition; and cooperative funding. Any excess of appropriations over estimated revenues represents an appropriation of beginning fund balance.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as commitments and assignments of fund balances and do not constitute expenditures or liabilities because the commitments or assignments will be re-appropriated and honored during the subsequent year.

The following procedures are followed by the Governing Board, acting in its capacity as the Taxing Authority of the District, in establishing the budget for the District.

On or before July 15, the executive director, as District budget officer, submits to the Governing Board a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes all proposed expenditures and all anticipated balances and receipts, including millage rates pursuant to Chapter 373.536, (F.S.)

Two public hearings are held to obtain taxpayers' comments. The budget is tentatively adopted during the first public hearing. The budget is finally adopted during the second public hearing. The budget is legally enacted through passage of a millage resolution and a budget resolution.

In accordance with *Florida Statute 373.536*, the Governing Board is authorized to amend the adopted budget for the receipt of unanticipated revenues, following the review and approval by the Executive Office of the Governor. Governing Board authorization to transfer budgeted amounts within each fund is delegated to the executive director between programs, major expenditure categories, object codes and/or projects within certain limits as specified within the District's Internal Budget Transfer Policy #330, The Governing Board must approve any transfers that exceed the policy thresholds.

Formal budgetary integration is employed as a management control device during the year for all governmental fund types.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios
(unaudited)

	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>
Total OPEB Liability- Beginning Balance	\$3,751,328	\$4,428,262	\$4,433,091	\$5,033,228	\$4,369,253	\$4,379,223	\$3,932,725
Service Cost	84,294	119,561	139,728	111,672	159,127	121,964	105,467
Interest on total OPEB liability	154,192	109,197	103,346	110,975	192,003	163,393	161,528
Effect of differences between expected and actual experience	(25,290)	(643,419)	(27,066)	(601,947)	552,884	(52,288)	289,909
Implicit Rate Subsidy	<u>(262,273)</u>	<u>(262,273)</u>	<u>(220,837)</u>	<u>(220,837)</u>	<u>(243,039)</u>	<u>(243,039)</u>	<u>(210,406)</u>
Net Change in total OPEB liability	(49,077)	(676,934)	(4,829)	(600,137)	663,975	(9,970)	446,498
Total OPEB liability- Ending Balance	3,702,251	3,751,328	4,428,262	4,433,091	5,033,228	4,369,253	4,379,223
Covered employee payroll	34,968,200	30,913,064	30,259,682	32,626,577	32,494,407	33,304,110	33,845,129
Total OPEB liability as a % of covered employee payroll	10.6%	12.1%	14.6%	13.6%	15.5%	13.1%	12.9%

The amounts presented for each fiscal year were determined as of the measurement date.

Schedule is intended to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported. Additional years will be displayed as they become available.

The discount rate used for the September 30, 2017, measurement date was 3.63 percent and the discount rate used for September 30, 2018, was 4.24 percent per annum. The discount rate for the September 30, 2019, measurement date was 2.66 percent and the discount rate used for the September 30, 2020, year-end disclosures will be based on the index as of September 30, 2020, which is 2.21 percent per annum. The discount rate used for the September 30, 2021, year-end disclosures will be based on the index as of September 30, 2022, which is 4.02 percent per annum. The discount rate used for the September 30, 2022, year-end disclosures will be based on the index as of September 30, 2023, which is 4.09 percent per annum.

See accompanying notes to required supplementary information.

See accompanying Independent Auditors Report.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
Notes to Required Supplementary Information
For the years Ended September 30, 2023
(unaudited)

Florida Retirement System (FRS) Pension Plan and Health Insurance Subsidy (HIS) Program

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), *Florida Statutes*. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pensions Plan's GASB 67 valuation is performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for the program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40 percent. Payroll growth, including inflation, for both plans is assumed at 3.25 percent. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70 percent. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65 percent was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Index). Mortality assumptions for both the FRS Pension Plan and HIS Program were based on the PUB-2010 base table (refer to the valuation reports for more information as stated below).

The following changes in actuarial assumptions occurred in 2023:

- HIS: The discount rate was modified to reflect the change in value of the municipal bond index between GASB measurement dates.
- HIS: Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from \$5 times years of service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

Florida Retirement System (FRS) Pension Plan Contribution Rates

For information on the actuarial methods and assumptions used in the July 1, 2023, funding valuation, refer to the valuation report dated December 1, 2023, located on the Publications page of the Division of Retirement's website at www.frs.myflorida.com.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
Notes to Required Supplementary Information
For the years Ended September 30, 2023
(unaudited)

Other Postemployment Benefits (OPEB)

Actuarial Valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employments, mortality, and the healthcare cost trend.

The OPEB plan is funded on a pay-as-you-go basis with no accumulated net assets in the GASB-compliant trust.

Liability for retiree dental and vision benefits are reflected as 0 in the valuation. The estimated impact of including dental and vision benefits is less than 1.0 percent.

See accompanying Independent Auditor's Report.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>
St. Johns River Water Management District's proportion of the net pension liability (asset)	0.071099997%	0.071786547%	0.075207414%
St. Johns River Water Management District's proportionate share of the net pension liability (asset)	\$ 28,331,099	\$ 26,710,364	\$ 5,681,065
St. Johns River Water Management District's covered payroll	34,277,172	30,571,191	30,847,956
St. Johns River Water Management District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	82.65%	87.37%	18.42%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%

*The amounts presented for each fiscal year were determined as of 6/30.

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

Note 2: The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the Florida Retirement System's Annual Comprehensive Financial Report.

Note 3: Refer to GASB 68, paragraph 81a - the information in this schedule should be determined as of the measurement date of the collective net pension liability.

2020	2019	2018	2017	2016	2015
0.074163269%	0.079128032%	0.081667525%	0.087082390%	0.088007698%	0.098383092%
\$ 32,143,454	\$ 27,250,593	\$ 24,598,682	\$ 25,758,387	\$ 22,222,013	\$ 12,707,496
31,798,698	33,060,536	33,903,289	35,691,411	36,080,549	37,304,382
101.08%	82.43%	72.56%	72.17%	61.59%	34.06%
78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 3,420,367	\$ 3,063,263	\$ 2,865,078	\$ 2,464,117
Contributions in relation to the contractually required contribution	<u>(3,420,367)</u>	<u>(3,063,263)</u>	<u>(2,865,078)</u>	<u>(2,464,117)</u>
Contribution deficiency (excess)	-	-	-	-
St. Johns River Water Management District's covered payroll	<u>35,215,078</u>	<u>32,291,656</u>	<u>30,763,566</u>	<u>31,518,685</u>
Contributions as a percentage of covered payroll	9.71%	9.49%	9.31%	7.82%

Note 1: Refer to GASB 68, paragraph 81 - the information in this schedule should be determined as of the employer's most recent fiscal year.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 2,453,540	\$ 2,327,459	\$ 2,266,969	\$ 2,146,208	\$ 2,398,663	\$ 2,194,839
<u>(2,453,540)</u>	<u>(2,327,459)</u>	<u>(2,266,969)</u>	<u>(2,146,208)</u>	<u>(2,398,663)</u>	<u>(2,194,839)</u>
-	-	-	-	-	-
<u>32,790,543</u>	<u>33,794,563</u>	<u>34,080,781</u>	<u>35,484,176</u>	<u>37,348,315</u>	<u>37,207,322</u>
7.48%	6.89%	6.65%	6.05%	6.42%	5.90%

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>
St. Johns River Water Management District's proportion of the net pension liability (asset)	0.086518908%	0.083863343%	0.087059211%
St. Johns River Water Management District's proportionate share of the net pension liability (asset)	\$ 13,740,357	\$ 8,882,467	\$ 10,679,121
St. Johns River Water Management District's covered payroll	34,277,172	30,571,191	30,847,956
St. Johns River Water Management District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	40.09%	29.06%	34.62%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%

*The amounts presented for each fiscal year were determined as of 6/30.

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

Note 2: The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the Florida Retirement System's Annual Comprehensive Financial Report.

Note 3: Refer to GASB 68, paragraph 81a - the information in this schedule should be determined as of the measurement date of the collective net pension liability.

2020	2019	2018	2017	2016	2015
0.091609836%	0.098852719%	0.103801405%	0.111921289%	0.116868817%	0.122961734%
\$ 11,185,412	\$ 11,060,630	\$ 10,986,457	\$ 11,967,141	\$ 13,620,577	\$ 12,540,163
31,798,698	33,060,536	33,903,289	35,691,411	36,080,549	37,304,382
35.18%	33.46%	32.41%	33.53%	37.75%	33.62%
3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 569,137	\$ 507,444	\$ 511,735	\$ 527,905
Contributions in relation to the contractually required contribution	<u>(569,137)</u>	<u>(507,444)</u>	<u>(511,735)</u>	<u>(527,905)</u>
Contribution deficiency (excess)	-	-	-	-
St. Johns River Water Management District's covered payroll	<u>35,215,078</u>	<u>32,291,656</u>	<u>30,763,566</u>	<u>31,518,685</u>
Contributions as a percentage of covered payroll	1.62%	1.57%	1.66%	1.67%

Note 1: Refer to GASB 68, paragraph 81 - the information in this schedule should be determined as of the employer's most recent fiscal year.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 548,920	\$ 562,918	\$ 592,320	\$ 599,027	\$ 470,036	\$ 428,042
<u>(548,920)</u>	<u>(562,918)</u>	<u>(592,320)</u>	<u>(599,027)</u>	<u>(470,036)</u>	<u>(428,042)</u>
-	-	-	-	-	-
<u>32,790,543</u>	<u>33,794,563</u>	<u>34,080,781</u>	<u>35,484,176</u>	<u>37,348,315</u>	<u>37,207,322</u>
1.67%	1.67%	1.74%	1.69%	1.26%	1.15%



Juniper Springs Recreational Area

Other Supplementary Information

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Acquisition, restoration and public works				
Fixed capital outlay	24,983,924	24,562,847	2,382,951	22,179,896
Total acquisition, restoration and public works	24,983,924	24,562,847	2,382,951	22,179,896
Operation and maintenance of lands and works				
Fixed capital outlay	7,027,407	7,448,484	2,126,226	5,322,258
Total operation and maintenance of lands and works	7,027,407	7,448,484	2,126,226	5,322,258
Total expenditures	32,011,331	32,011,331	4,509,177	27,502,154
Excess of revenues over (under) expenditures	(32,011,331)	(32,011,331)	(4,509,177)	27,502,154
Other financing sources (uses)				
Transfers in	17,861,311	17,861,311	9,538,898	(8,322,413)
Transfers out	-	-	-	-
Total other financing sources (uses)	17,861,311	17,861,311	9,538,898	(8,322,413)
Net change in fund balance	(14,150,020)	(14,150,020)	5,029,721	19,179,741
Fund balance, beginning of year	675,422	675,422	675,422	-
Fund balance, end of year	<u>\$ (13,474,598)</u>	<u>\$ (13,474,598)</u>	<u>\$ 5,705,143</u>	<u>\$ 19,179,741</u>

Annual Comprehensive Financial Report

Statistical Section (Unaudited)



American alligator

Financial Trends
Revenue Capacity
Debt Capacity
Demographic and Economic Information
Operating Information

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA

STATISTICAL SECTION

This part of the District's annual comprehensive financial report presents detailed information to provide context to understand what the information presented in the financial statements, note disclosures, and required supplemental information says about the District's overall financial health.

Contents

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

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

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

Demographic and Economic Information — These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

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

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



Fort Drum Marsh Conservation Area

Financial Trends

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2013-14	2014-15	2015-16	2016-17	2017-18
Governmental activities					
Net investment in capital assets	\$ 1,142,674,165	\$ 1,172,379,975	\$ 1,199,234,566	\$ 1,200,386,597	\$ 1,207,622,764
Restricted	32,435,993	19,334,646	18,648,086	16,364,766	14,357,026
Unrestricted	143,202,750	115,889,657	98,291,727	85,959,027	73,442,677
Total net position, governmental activities	\$ 1,318,312,908	\$ 1,307,604,278	\$ 1,316,174,379	\$ 1,302,710,390	\$ 1,295,422,467



2018–19	2019–20	2020–21	2021–22	2022–23
\$ 1,203,496,683	\$ 1,208,369,100	\$ 1,217,378,165	\$ 1,236,661,031	\$ 1,278,520,056
14,162,621	14,336,599	17,863,617	16,920,572	16,794,456
75,787,002	78,419,702	92,765,680	103,200,785	121,394,248
\$ 1,293,446,306	\$ 1,301,125,401	\$ 1,328,007,462	\$ 1,356,782,388	\$ 1,416,708,760

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2013–14	2014–15	2015–16	2016–17
Expenses:				
Water resources planning and monitoring	\$ 15,048,512	\$ 16,525,822	\$ 14,941,578	\$ 15,857,328
Acquisition, restoration and public works	27,583,602	45,545,311	45,556,251	67,405,308
Operation and maintenance of land and works	23,901,054	25,818,520	22,949,525	24,220,770
Regulation	13,230,805	16,035,824	12,183,780	11,950,330
Outreach	940,621	1,229,915	1,056,451	1,035,590
District management and administration	16,217,840	16,371,881	16,881,745	16,642,647
Interest on long-term debt/ lease	599,241	329,367	-	-
Total expenses	97,521,675	121,856,640	113,569,330	137,111,973
Program revenues:				
Charges for services:				
Gain on disposal of land	-	1,231,071	1,613,492	-
Regulatory permitting	1,510,633	1,728,512	2,082,799	2,120,253
Operations and land management	1,885,825	1,387,381	1,778,961	1,909,607
Operating grants and contributions	15,072,037	27,128,105	17,912,774	26,169,214
Capital grants and contributions	16,783,189	12,582,684	13,742,293	8,060,160
Total program revenues	35,251,684	44,057,753	37,130,319	38,259,234
Net (expense)/ revenue	(62,269,991)	(77,798,887)	(76,439,011)	(98,852,739)
General revenues and other changes in net position				
Ad valorem (property taxes)	80,285,876	81,505,441	82,873,945	84,103,364
Unrestricted earnings on investments	1,131,270	2,386,129	1,941,294	848,612
Miscellaneous	432,743	230,492	193,873	436,774
Total general revenues and other changes in net position	81,849,889	84,122,062	85,009,112	85,388,750
Change in net position	\$ 19,579,898	\$ 6,323,175	\$ 8,570,101	\$ (13,463,989)

2017–18	2018–19	2019–20	2020–21	2021–22	2022–23
\$ 14,335,314	\$ 14,946,389	\$ 15,611,537	\$ 13,221,335	\$ 14,190,232	\$ 18,272,035
76,409,655	59,248,127	45,086,646	35,031,146	40,122,011	43,502,141
23,916,602	25,172,793	25,068,466	27,439,764	27,108,537	29,914,630
10,869,409	11,215,142	13,441,079	11,751,217	12,312,244	16,024,569
952,170	923,747	1,166,635	965,048	1,124,482	1,532,927
16,799,405	16,781,888	10,179,742	9,847,179	10,013,220	11,804,344
-	-	-	-	73,545	138,347
143,282,555	128,288,086	110,554,105	98,255,689	104,944,271	121,188,993
1,124,821	-	-	-	-	1,297,623
2,298,812	2,327,093	2,105,812	2,521,954	2,767,462	2,622,258
1,610,489	1,942,046	1,782,198	1,376,417	2,494,850	2,650,643
37,852,367	22,855,269	15,258,039	18,185,275	29,261,630	28,635,534
7,534,233	5,488,297	6,158,725	6,271,992	11,736,201	42,625,833
50,420,722	32,612,705	25,304,774	28,355,638	46,260,143	77,831,891
(92,861,833)	(95,675,381)	(85,249,331)	(69,900,051)	(58,684,128)	(43,357,102)
85,496,445	87,187,723	88,509,313	90,907,795	93,043,309	95,463,006
172,979	5,980,793	4,192,008	913,672	(5,706,697)	6,823,209
442,493	530,704	227,105	140,030	122,442	997,259
86,111,917	93,699,220	92,928,426	91,961,497	87,459,054	103,283,474
\$ (6,749,916)	\$ (1,976,161)	\$ 7,679,095	\$ 22,061,446	\$ 28,774,926	\$ 59,926,372

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2013-14	2014-15	2015-16	2016-17
General fund				
Nonspendable	\$ 1,030,023	\$ 1,581,027	\$ 2,059,241	\$ 1,551,238
Restricted	-	-	-	160,120
Committed	125,260,000	123,265,302	111,136,700	99,368,966
Assigned	16,013,221	9,854,264	13,036,517	4,480,110
Unassigned	42,514	-	-	9,909,180
Total general fund	142,345,758	134,700,593	126,232,458	115,469,614
All other governmental funds				
Nonspendable:				
Special revenue funds	-	-	-	-
Restricted:				
Special revenue funds	26,088,129	19,334,646	18,648,086	16,204,646
Debt service fund	6,471,774	-	-	-
Committed:				
Special revenue funds	7,200,000	12,426,071	8,067,297	7,517,467
Capital projects fund	5,040,000	4,477,398	1,200,115	1,095,396
Assigned:				
Special revenue funds				
Capital projects fund	536	64,528	-	-
Total all other governmental funds	44,800,439	36,302,643	27,915,498	24,817,509
Total fund balances	\$ 187,146,197	\$ 171,003,236	\$ 154,147,956	\$ 140,287,123

2017–18	2018–19	2019–20	2020–21	2021–22	2022–23
\$ 1,322,613	\$ 1,187,026	\$ 807,609	\$ 614,437	\$ 840,943	\$ 811,726
-	-	-	-	-	-
81,686,819	93,549,548	114,627,674	110,710,680	129,616,269	142,963,379
11,943,340	1,156,939	620,137	6,139,104	6,257,610	2,548,553
9,008,187	15,040,051	-	7,444,352	-	5,453,363
103,960,959	110,933,564	116,055,420	124,908,573	136,714,822	151,777,021
-	-	-	-	-	-
14,357,026	14,162,621	14,336,599	17,863,617	16,920,572	16,794,456
-	-	-	-	-	-
6,095,032	5,779,078	6,017,414	4,585,904	8,150,418	10,236,617
877,202	488,518	1,484,242	4,396,226	-	-
338,782	65,200	81,064	9,473	4,113 675,422	- 5,705,143
21,668,042	20,495,417	21,919,319	26,855,220	25,750,525	32,736,216
\$ 125,629,001	\$ 131,428,981	\$ 137,974,739	\$ 151,763,793	\$ 162,465,347	\$ 184,513,237

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2013-14	2014-15	2015-16	2016-17
Revenues:				
Taxes	\$ 80,285,876	\$ 81,505,441	\$ 82,873,945	\$ 84,103,364
State	19,165,372	26,009,183	18,633,171	26,944,590
Federal	1,630,939	2,428,612	4,792,762	1,559,917
Investment earnings	1,131,270	2,386,129	1,941,294	848,612
Local mitigation	25,477	646	69,829	807
Licenses and permits	1,504,706	1,721,156	2,076,949	1,897,307
Cities and counties	358	400,268	20,493	67,798
Other local	205,770	1,031,639	1,952,128	818,867
Land management	1,885,825	1,387,381	1,778,961	2,120,253
Miscellaneous revenue	438,670	237,848	199,723	449,074
Total revenues	<u>106,274,263</u>	<u>117,108,303</u>	<u>114,339,255</u>	<u>118,810,589</u>
Expenditures:				
Water resources planning and monitoring	15,647,669	18,851,892	17,276,381	16,388,650
Acquisition, restoration and public works	33,986,990	52,076,117	66,315,200	65,132,072
Operation and maintenance of land and works	19,049,507	20,225,937	20,025,471	21,938,325
Regulation	13,511,073	14,021,045	11,840,656	11,483,652
Outreach	963,860	1,092,884	1,027,234	994,787
District management and administration	15,748,277	14,602,886	16,113,130	17,042,243
Debt service:				
Principal retirement	5,830,000	12,290,000	-	-
Interest and fiscal charges	688,362	532,328	-	-
Total expenditures	<u>105,425,738</u>	<u>133,693,089</u>	<u>132,598,072</u>	<u>132,979,729</u>
Excess of revenues over(under) expenditures	848,525	(16,584,786)	(18,258,817)	(14,169,140)
Other financing sources (uses):				
Transfers in	7,988,246	48,226,466	4,222,565	3,672,135
Transfers out	(7,988,246)	(48,226,466)	(4,222,565)	(3,672,135)
Sale of capital assets	94,343	437,830	1,401,001	307,543
Transfer out - refund to state	(156,568)	-	-	-
Insurance - loss recovery	-	3,995	2,536	764
Lease and SBITA financing	-	-	-	-
Total other financing sources (uses)	<u>(62,225)</u>	<u>441,825</u>	<u>1,403,537</u>	<u>308,307</u>
Net change in fund balances	<u>\$ 786,300</u>	<u>\$ (16,142,961)</u>	<u>\$ (16,855,280)</u>	<u>\$ (13,860,833)</u>
Debt service as a percentage of noncapital expenditures	6.95%	10.58%	N/A	N/A

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
\$ 85,496,445	\$ 86,945,000	\$ 88,543,660	\$ 90,921,443	\$ 93,071,990	\$ 95,473,023
23,088,283	22,109,984	17,877,691	22,807,338	32,552,018	43,128,677
14,722,233	1,574,918	1,053,777	183,086	84,637	10,554,603
172,979	5,980,793	4,192,008	140,030	(5,706,697)	6,823,209
70,859	323,681	86,510	12,303	40,920	14,228
1,968,953	2,084,226	2,045,357	2,403,355	2,724,712	2,437,258
496,034	111,326	53,956	48,896	44,712	26,254
1,721,109	297,251	206,853	199,867	192,652	5,404,807
1,610,489	1,942,046	1,782,198	1,376,417	2,494,850	2,650,643
772,352	773,571	287,560	1,032,271	165,193	1,182,258
130,119,736	122,142,796	116,129,570	119,125,006	125,664,987	167,694,960
14,956,611	14,526,979	15,555,502	14,635,719	14,862,769	17,106,301
80,716,522	55,063,632	52,317,655	50,359,169	58,637,990	81,311,411
21,526,894	20,291,041	20,754,186	22,269,652	26,319,947	23,282,744
10,730,509	10,185,895	12,578,882	12,851,118	12,553,628	14,471,509
949,000	854,629	1,101,653	1,048,016	1,142,693	1,422,310
17,357,032	15,701,195	8,861,869	9,356,634	9,106,782	9,858,291
-	-	-	-	(22,214)	283,433
-	-	-	-	73,545	138,347
146,236,568	116,623,371	111,169,747	110,520,308	122,675,140	147,874,346
(16,116,832)	5,519,425	4,959,823	8,604,698	2,989,847	19,820,614
3,730,986	6,703,492	8,968,616	10,679,460	5,724,694	9,985,457
(3,730,986)	(6,703,492)	(8,968,616)	(10,679,460)	(5,724,694)	(9,985,457)
1,230,496	117,144	1,433,583	41,166	5,537,707	1,342,862
-	-	-	-	-	-
228,214	163,411	152,352	322,575	129,908	86,871
-	-	-	-	2,044,092	797,543
1,458,710	280,555	1,585,935	363,741	7,711,707	2,227,276
\$ (14,658,122)	\$ 5,799,980	\$ 6,545,758	\$ 8,968,439	\$ 10,701,554	\$ 22,047,890
N/A	N/A	N/A	N/A	0.10%	0.40%



J.P. Hall Bayard Point Conservation Area

Revenue Capacity

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
TAXABLE PROPERTY VALUES AND ESTIMATED
JUST VALUES OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Assessed Property Value (Millions) ¹	\$ 253,093	\$ 266,509	\$ 283,964	\$ 301,971
Estimated Just Value (Millions) ²	377,799	412,989	445,836	473,945
Assessed Value as a Percentage of Just Value	67.0%	64.5%	63.7%	63.6%
Millage Levy	0.3283	0.3164	0.3023	0.2885

¹ Florida Department of Revenue, Annual DR-420 Forms - Certification of Taxable Value

² It is estimated by multiplying the calculated percentage of just value for the whole county by assessed value for individual counties that are either wholly or partly within SJRWMD

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
\$ 325,455	\$ 352,181	\$ 380,129	\$ 411,352	\$ 439,982	\$ 501,149
508,680	552,921	593,787	676,929	839,548	965,663
64.0%	63.7%	64.0%	61.0%	52.4%	51.9%
0.2627	0.2562	0.2414	0.2287	0.2189	0.1974

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
TAXABLE PROPERTY VALUES AND ESTIMATED
JUST VALUES OF TAXABLE PROPERTY BY COUNTY
FISCAL YEAR 2022–2023

<u>County</u>	<u>Estimated Just Value¹</u>	<u>Taxable Value²</u>	<u>Taxable as Percentage of Just Value</u>
Alachua*	\$29,406,694,403	\$13,521,719,434	46.0%
Baker*	2,977,196,166	1,264,435,413	42.5%
Bradford*	169,740,332	82,693,784	48.7%
Brevard	118,387,735,988	54,550,307,014	46.1%
Clay	31,057,977,523	14,735,802,037	47.4%
Duval	168,266,975,242	90,163,846,026	53.6%
Flagler	24,486,586,128	12,876,253,420	52.6%
Indian River	45,800,344,894	23,396,394,213	51.1%
Lake*	58,049,647,976	30,595,962,561	52.7%
Marion*	34,446,575,183	15,573,973,793	45.2%
Nassau	25,827,357,999	12,765,587,380	49.4%
Okeechobee*	3,324,580,826	1,118,053,352	33.6%
Orange*	155,647,909,677	89,314,009,738	57.4%
Osceola*	256,128,892	137,092,236	53.5%
Putnam	12,635,286,325	5,505,760,998	43.6%
St. Johns	79,136,719,824	40,966,663,182	51.8%
Seminole	78,005,811,080	45,236,886,781	58.0%
Volusia	97,779,386,475	49,343,954,073	50.5%
Total	\$965,662,654,933	\$501,149,395,435	51.9%
Florida Total	\$ 4,167,326,159,349	\$ 2,255,726,706,461	54.1%

Source: Florida Department of Revenue. 2020 DR–420 Reports and 2019 Florida Property and Tax Data book; Internet site

Internet site <http://floridarevenue.com/property/Pages/DataPortal.aspx>

*County that is partly within St. Johns River Water Management District

¹ Estimated by multiplying the calculated percentage of just value for the whole county by assessed value for individual counties that are either wholly or partly within

² County taxable value reported to District in DR 420 forms

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
PRINCIPAL TAXPAYERS BY COUNTY
FISCAL YEAR 2022–2023

<u>County</u>	<u>Property Tax Collections</u>	<u>Percentage of Collections</u>
Alachua	\$ 2,548,460	2.64%
Baker	246,444	0.26%
Bradford	16,244	0.02%
Brevard	10,404,391	10.79%
Clay	2,810,441	2.91%
Duval	17,283,184	17.92%
Flagler	2,451,074	2.54%
Indian River	4,452,367	4.62%
Lake	5,812,289	6.03%
Marion	2,962,877	3.07%
Nassau	3,434,528	3.56%
Okeechobee	223,484	0.23%
Orange	16,937,650	17.56%
Osceola	26,020	0.03%
Putnam	1,065,029	1.10%
St. Johns	7,803,643	8.09%
Seminole	8,580,918	8.89%
Volusia	9,410,319	9.75%
Total	\$ 96,469,362	100.00%

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
PROPERTY TAX REVENUES BY COUNTY
LAST TEN FISCAL YEARS

	2013-14	2014-15	2015-16	2016-17
Millage Levy	0.3283	0.3164	0.3023	0.2885
Alachua	\$ 2,526,907	\$ 2,504,523	\$ 2,461,229	\$ 2,444,567
Baker	230,868	228,881	214,861	211,945
Bradford	17,762	17,647	17,360	16,698
Brevard	8,261,567	8,658,663	8,763,008	9,020,609
Clay	2,587,480	2,598,482	2,591,210	2,607,299
Duval	15,093,496	15,221,818	15,418,596	15,467,620
Flagler	2,015,491	2,044,842	2,085,126	2,106,712
Indian River	4,114,964	4,121,433	4,202,249	4,252,387
Lake	4,746,674	4,783,007	4,804,644	4,856,147
Marion	2,919,095	2,914,399	2,916,170	2,891,986
Nassau	1,972,362	1,989,852	2,001,801	2,015,448
Okeechobee	22,543	21,456	21,170	23,001
Orange	13,429,265	13,738,249	14,387,847	14,795,934
Osceola	34,379	34,254	32,296	30,468
Putnam	1,083,026	1,027,046	970,997	943,839
St. Johns	5,582,815	5,707,498	5,947,220	6,181,467
Seminole	7,787,506	7,905,846	7,976,463	8,018,485
Volusia	7,859,676	7,987,545	8,061,698	8,218,753
Total	\$ 80,285,876	\$ 81,505,441	\$ 82,873,945	\$ 84,103,364
Percentage increase of property tax revenues	0.8%	1.5%	1.7%	1.5%

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
0.2627	0.2562	0.2414	0.2287	0.2189	0.1974
\$ 2,504,168	\$ 2,536,425	\$ 2,528,083	\$ 2,542,145	\$ 2,554,928	\$ 2,548,460
209,831	219,615	224,154	227,120	237,065	246,444
16,578	15,962	17,551	15,338	15,557	16,244
9,251,550	9,474,595	9,641,038	9,809,122	10,074,642	10,404,391
2,629,108	2,644,778	2,670,704	2,710,324	2,761,259	2,810,441
15,589,052	15,810,694	16,032,509	16,348,243	16,807,799	17,283,184
2,114,667	2,141,994	2,189,849	2,209,040	2,307,427	2,451,074
4,284,650	4,309,117	4,341,247	4,328,836	4,360,268	4,452,367
4,986,929	5,138,672	5,251,075	5,448,371	5,608,219	5,812,289
2,869,307	2,875,233	2,810,051	2,821,013	2,898,802	2,962,877
2,061,623	2,113,000	2,181,012	2,247,543	2,351,200	3,434,528
301,211	37,991	157,923	250,702	238,515	223,484
14,934,355	15,485,306	15,854,565	16,494,536	16,785,256	16,937,650
62,257	27,365	13,131	26,910	26,534	26,020
922,858	939,178	926,920	1,029,153	1,048,253	1,065,029
8,107,415	6,452,098	8,354,949	7,030,536	7,350,646	7,803,643
6,543,937	8,216,120	6,669,886	8,447,895	8,481,709	8,580,918
8,106,949	8,506,858	8,679,013	8,934,616	9,169,648	9,410,319
\$ 85,496,445	\$ 86,945,000	\$ 88,543,660	\$ 90,921,443	\$ 93,077,727	\$ 96,469,362
1.7%	1.7%	1.8%	2.7%	2.4%	3.6%



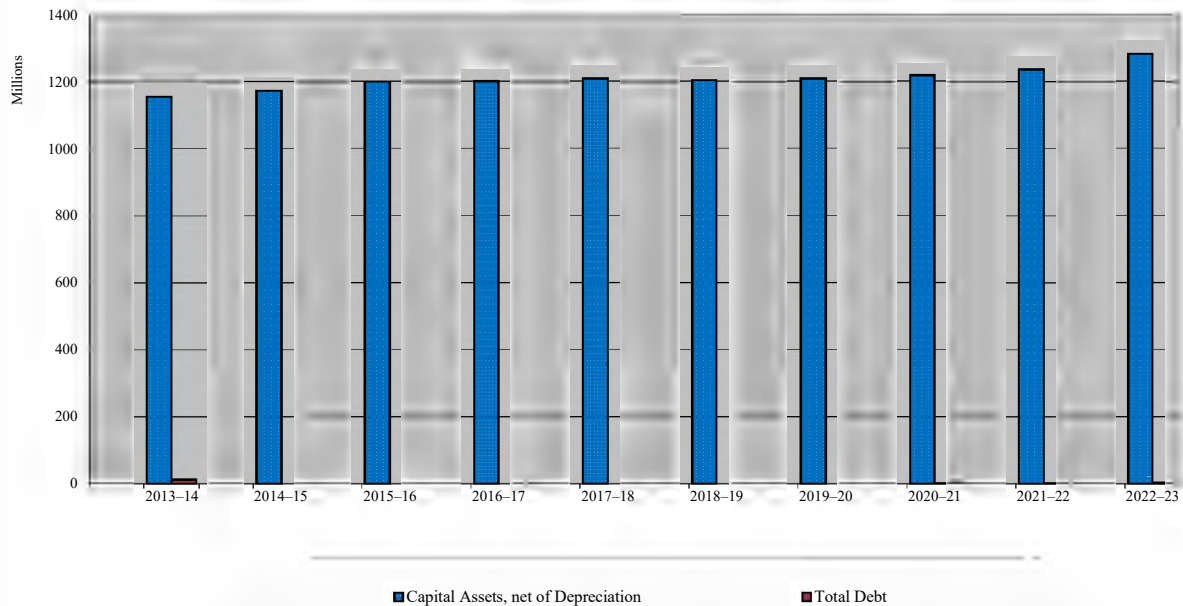
Paynes Prairie Preserve State Park

Debt Capacity

ST. JOHNS RIVER MANAGEMENT DISTRICT, FLORIDA
RATIO OF DEBT TO CAPITAL ASSETS, NET OF
DEPRECIATION AND DEBT PER CAPITA
LAST TEN FISCAL YEARS

	2013-14	2014-15	2015-16	2016-17	2017-18
General Bonded Debt	\$ 12,290,000	\$ -	\$ -	\$ -	\$ -
Leased Buildings	-	-	-	-	-
SBITAs	-	-	-	-	-
Total Debt	\$ 12,290,000	\$ -	\$ -	\$ -	\$ -
Capital Assets, net of Depreciation	\$ 1,155,043,216	\$ 1,172,379,975	\$ 1,199,234,566	\$ 1,200,386,597	\$ 1,207,636,839
Ratio of Debt to Net Capital Assets	1.06%	0.00%	0.00%	0.00%	0.00%
Estimated Population at April 1	4,811,981	4,867,285	4,954,159	5,022,469	5,125,012
Debt Per Capita	2.55	-	-	-	-

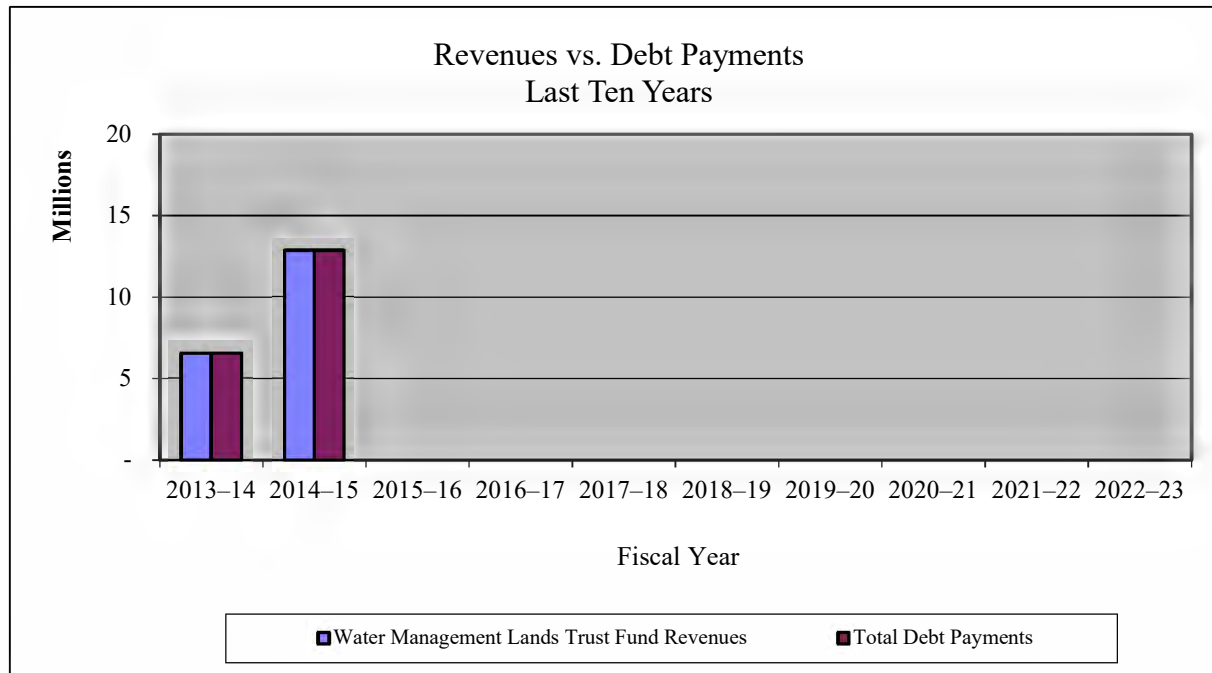
Capital Assets and Debt, Last Ten Years



2018–19	2019–20	2020–21	2021–22	2022–23
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	2,384,875	2,066,306	2,118,602
-	-	-	-	563,542
\$ -	\$ -	\$ 2,384,875	\$ 2,066,306	\$ 2,682,144
\$ 1,203,496,683	\$ 1,208,369,100	\$ 1,217,378,165	\$ 1,236,661,031	\$ 1,281,202,200
0.00%	0.00%	0.20%	0.17%	0.21%
5,252,872	5,356,402	5,656,395	5,875,555	5,871,836
-	-	0.42	0.35	0.46

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Water Management Lands Trust Fund Revenues	Principal	Interest and Fiscal Charges	Total	Coverage
2013–14	6,518,363	5,830,000	688,362	6,518,362	1.00
2014–15	12,822,328	12,290,000	532,328	12,822,328	1.00
2015–16	-	-	-	-	-
2016–17	-	-	-	-	-
2017–18	-	-	-	-	-
2018–19	-	-	-	-	-
2019–20	-	-	-	-	-
2020–21	-	-	-	-	-
2021–22	-	-	-	-	-
2022–23	-	-	-	-	-





Lake George Conservation Area

Demographic and Economic Information

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
DEMOGRAPHIC STATISTICS - POPULATION BY COUNTY
LAST TEN FISCAL YEARS

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Alachua*	206,852	198,585	200,251	193,338	195,783	206,360
Baker*	26,397	26,423	26,372	26,606	27,057	27,712
Bradford*	5,557	5,544	5,570	2,438	2,475	5,794
Brevard	552,427	561,714	568,919	575,211	583,563	594,469
Clay	197,403	201,277	205,321	208,549	212,034	215,246
Duval	890,066	905,574	923,647	936,811	952,861	970,672
Flagler	99,121	101,353	103,095	105,157	107,511	110,635
Indian River	140,955	143,326	146,410	148,962	151,825	154,939
Lake*	309,117	315,936	323,337	331,027	342,196	356,175
Marion*	210,572	218,965	221,971	217,489	220,373	238,599
Nassau	75,321	76,536	77,841	80,456	82,748	85,070
Okeechobee*	1,434	1,442	1,469	1,460	1,459	1,589
Orange*	875,560	870,632	889,869	912,358	937,160	946,693
Osceola*	296	259	323	1,553	1,621	741
Putnam*	72,523	72,756	72,972	73,176	72,981	73,268
St. Johns	207,443	213,566	220,257	229,715	238,742	254,412
Seminole	437,086	442,903	449,124	454,757	463,560	471,735
Volusia	503,851	510,494	517,411	523,405	531,062	538,763
SJRWMD Total	4,811,981	4,867,285	4,954,159	5,022,469	5,125,012	5,252,872
Annual Percentage Increase	0.2%	1.1%	1.8%	1.4%	2.0%	2.5%

¹ Source: 2022 Report of Annual Water Use for SJRWMD, Figures are estimates.

*St. Johns River Water Management District estimated county population based on geographic boundaries that lie within the St. Johns River Water Management District.

2019-20	2020-21¹	2021-22¹	2022-23¹
209,665	209,136	226,505	229,104
28,075	28,047	35,277	27,360
5,790	5,677	5,681	2,499
606,671	622,623	635,821	646,623
219,575	219,572	221,436	225,553
982,080	982,081	1,016,809	1,033,533
114,173	119,244	119,662	124,203
158,834	173,845	176,071	169,428
365,641	374,645	405,376	406,517
243,705	245,809	293,798	300,871
89,258	95,977	98,136	100,933
1,601	1,611	1,611	1,611
966,622	1,122,638	1,131,907	1,149,805
774	1,309	1,309	1,564
73,723	73,308	73,950	74,524
261,900	261,899	285,533	296,919
476,727	499,558	505,145	484,054
551,588	619,416	641,528	596,735
<u>5,356,402</u>	<u>5,656,395</u>	<u>5,875,555</u>	<u>5,871,836</u>

2.0%

5.6%

3.9%

-0.1%

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
DEMOGRAPHIC STATISTICS - NUMBER OF DISTRICT FULL TIME
EMPLOYEES PER 100,000 POPULATION
LAST TEN FISCAL YEARS**

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Number of Employees ¹	588	591	582	574
District Population ²	4,867,285	4,954,159	4,954,159	5,022,469
Employees Per 100,000 Population	12.1	11.9	11.7	11.4

¹Number of Authorized Full Time Equivalent (FTEs) at the beginning of fiscal years.

²St. Johns River Water Management District estimates

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
565	550	536	531	529	537
5,125,012	5,252,872	5,356,402	5,656,395	5,875,555	5,871,836
11.0	10.5	10.0	9.4	9.0	9.1

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
TOP TEN NON-GOVERNMENT EMPLOYERS WITHIN A SINGLE COUNTY
FISCAL YEAR 2022-2023**

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>County</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>County</u>
Walt Disney World Co.	70,000	1	Orange	69,000	1	Orange
Florida Hospital/Adventist Health	39,374	2	Orange	25,712	2	Orange
Universal Orlando Resort	24,000	3	Orange	17,300	3	Orange
Orlando Health	23,252	4	Orange	14,201	5	Orange
University of Florida	17,648	5	Alachua	14,723	4	Alachua
Baptist Health	12,600	6	Duval	8,270	7	Duval
University of Central Florida	10,614	7	Orange	7,857	8	Orange
UF Health Shands System	9,944	8	Alachua	12,588	6	Alachua
Lockheed Martin*	8,099	9	Orange			Orange
Mayo Clinic	8,450	10	Duval	4,970	9	Duval

* 2013 information not available

Source: 2022 county and city ACFRs within the District's boundaries

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
DEMOGRAPHIC STATISTICS - UNEMPLOYMENT RATES
LAST TEN FISCAL YEARS

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20*</u>	<u>2020-21*</u>	<u>2021-22*</u>	<u>2022-23*</u>
Alachua	5.2%	4.2%	4.3%	3.0%	2.7%	2.7%	4.3%	3.1%	2.4%	3.1%
Baker	6.3%	4.9%	4.9%	3.2%	2.9%	2.7%	4.3%	3.2%	2.5%	2.8%
Bradford	5.6%	5.0%	4.3%	3.0%	2.7%	2.7%	4.6%	3.8%	2.8%	3.2%
Brevard	6.9%	5.4%	5.2%	3.5%	3.0%	2.9%	5.0%	3.4%	2.5%	3.1%
Clay	5.7%	4.5%	4.5%	3.1%	2.8%	2.8%	3.9%	3.0%	2.3%	2.9%
Duval	6.7%	5.2%	5.0%	3.5%	3.0%	2.9%	5.5%	3.6%	2.6%	3.0%
Flagler	7.5%	5.9%	5.5%	3.8%	3.5%	3.3%	5.5%	4.1%	3.0%	3.7%
Indian River	7.8%	6.7%	6.2%	4.3%	3.7%	3.4%	3.4%	3.9%	3.1%	3.5%
Lake	6.4%	5.0%	4.9%	3.4%	2.9%	2.9%	6.4%	3.9%	2.7%	3.2%
Marion	7.3%	5.9%	5.8%	4.0%	3.6%	3.4%	5.4%	4.2%	3.2%	3.7%
Nassau	5.8%	4.6%	4.6%	3.2%	2.7%	2.7%	3.9%	2.9%	2.3%	2.8%
Okeechobee	7.3%	6.0%	5.4%	3.8%	3.1%	3.1%	4.4%	3.8%	2.8%	3.1%
Orange	5.8%	4.5%	4.4%	3.1%	2.6%	2.6%	8.3%	3.9%	2.6%	2.9%
Osceola	6.7%	5.3%	5.0%	3.6%	3.0%	3.0%	10.1%	4.8%	3.2%	3.4%
Putnam	8.7%	6.9%	6.3%	4.4%	4.1%	3.7%	7.1%	5.4%	3.6%	4.1%
St. Johns	4.7%	3.6%	3.7%	2.7%	2.6%	2.3%	3.6%	2.6%	2.1%	2.6%
Seminole	5.6%	4.4%	4.3%	3.0%	2.5%	2.6%	5.5%	3.4%	2.4%	2.8%
Volusia	6.7%	5.3%	5.1%	3.6%	3.2%	3.1%	5.7%	3.9%	2.8%	3.3%
SJRWMD	5.9%	4.9%	4.8%	3.3%	2.9%	2.9%	5.4%	3.4%	2.6%	2.9%
Florida	6.1%	5.4%	4.9%	3.6%	3.0%	2.9%	6.3%	3.6%	2.6%	2.9%
U.S.	5.7%	5.3%	4.9%	3.9%	3.5%	3.3%	6.6%	3.9%	3.4%	3.5%

*Source: <https://fred.stlouisfed.org/release/tables>

* Data for December 2023. Not seasonally adjusted.



Fort Drum Marsh Conservation Area

Operating Information

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
ACRES OF LAND OR CONSERVATION EASEMENT OWNERSHIP
LAST TEN FISCAL YEARS**

<u>Type of Ownership</u>	<u>Acres of Land or Conservation Easement Ownership</u>				
	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<u>Full Fee:</u>					
Acquired	-402.46	-1,587.71	4,748.01	-152.65	430.38
Cumulative	613,125.98	611,538.27	616,286.28	616,133.63	616,564.01
<u>Conservation Easement :</u>					
Acquired	3,519.91	15,424.10	1,065.62	979.20	-210.22
Cumulative	110,516.13	125,940.23	127,005.85	127,985.05	127,774.83
Total Acres	<u>723,642.11</u>	<u>737,478.50</u>	<u>743,292.13</u>	<u>744,118.68</u>	<u>744,338.84</u>

<u>Type of Ownership</u>	<u>Acres of Land or Conservation Easement Ownership</u>				
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
<u>Full Fee:</u>					
Acquired	308.52	434.91	-4,495.68	2,057.96	28.48
Cumulative	616,872.53	617,307.44	612,811.76	614,869.72	614,898.20
<u>Conservation Easement :</u>					
Acquired	0.00	-576.90	-2,130.00	452.37	7.78
Cumulative	127,774.83	127,197.93	125,067.93	125,520.30	125,528.08
Total Acres	<u>744,647.36</u>	<u>744,505.37</u>	<u>737,879.69</u>	<u>740,390.02</u>	<u>740,426.28</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
MILES OF LEVEES
LAST TEN FISCAL YEARS**

Construction										
<u>Type of Levee</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
USACE & Flood										
Control	121.08	121.08	121.08	121.08	121.08	115.00	115.00	115.00	115.00	115.00
Farm	196.02	196.02	196.02	196.02	196.02	175.00	175.00	175.00	175.00	175.00
Total Miles of Levees	<u>317.10</u>	<u>317.10</u>	<u>317.10</u>	<u>317.10</u>	<u>317.10</u>	<u>290.00</u>	<u>290.00</u>	<u>290.00</u>	<u>290.00</u>	<u>290.00</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
PERMIT APPLICATIONS RECEIVED
LAST TEN FISCAL YEARS**

Permit Category	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Environmental Resource	2,113	2,271	2,571	2,645	1,932	2,748	3,380	3,590	3,798	3,843
Consumptive Use	171	108	118	141	327	332	349	402	423	347
Water Well Construction	<u>529</u>	<u>324</u>	<u>267</u>	<u>247</u>	<u>237</u>	<u>202</u>	<u>248</u>	<u>258</u>	<u>276</u>	<u>302</u>
Total Applications	<u>2,813</u>	<u>2,703</u>	<u>2,956</u>	<u>3,033</u>	<u>2,496</u>	<u>3,282</u>	<u>3,977</u>	<u>4,250</u>	<u>4,497</u>	<u>4,492</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
LICENSE AND PERMIT FEES RECEIVED
LAST TEN FISCAL YEARS**

<u>2013-14*</u>	<u>2014-15*</u>	<u>2015-16*</u>	<u>2016-17*</u>	<u>2017-18*</u>
\$ 1,504,706	\$ 1,721,156	\$ 2,076,949	\$ 1,897,307	\$ 1,968,953
<u>2018-19*</u>	<u>2019-20*</u>	<u>2020-21*</u>	<u>2021-22*</u>	<u>2022-23*</u>
\$ 2,084,226	\$ 2,045,357	\$ 2,403,355	\$ 2,724,712	\$ 2,437,258

* *this amount includes amounts collected for C-1 Rediversion Permit Fees*



Annual Comprehensive Financial Report

Other Reports Section



Barred owl

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Board of Governors of
St. Johns River Water Management District:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the St. Johns River Water Management District (the District), a component unit of the State of Florida, as of and for the 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 report thereon dated April 25, 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 or significant deficiencies may exist that were not 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 grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed

no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Daytona Beach, Florida
April 25, 2024

James Moore & Co., P.L.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

Federal/State Agency, Pass-through Entity Federal Program/State Project	ALN/ CSFA Number	Contract/ Grant Number	Total Expenditures	Expenditures to Subrecipients
FEDERAL AWARDS				
U.S. Department of the Interior				
Direct through Fish and Wildlife Service				
Partners for Fish and Wildlife				
Coastal Habitat Restoration Along Florida's East Coast	15.631	33735/F18AC00620	5,160	-
Total Fish and Wildlife Service			<u>5,160</u>	<u>-</u>
United States Geological Survey				
National Ground-Water Monitoring Network	15.980	38406/G22AC00129	21,943	-
Total United States Geological Survey			<u>21,943</u>	<u>-</u>
U.S. Department of the Treasury				
Pass through Florida Department of Environmental Protection				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds				
Alternative Water Source for Irrigation	21.027	38150/WSA01	175,898	-
Crane Creek M-1 Canal Flow Restoration	21.027	38446/WSA02	4,500,000	-
US-1 Greenland WRF to County Road 210 Reclaimed Water Main	21.027	38501/WSA04	5,525,359	5,525,359
Total Florida Department of Environmental Protection			<u>10,201,257</u>	<u>5,525,359</u>
U.S. Environmental Protection Agency				
Pass through Florida Department of Environmental Protection				
Water Quality Management Planning				
Water Sampling for Temporal Variability Monitoring Network	66.454	36387/MN020	98,444	-
Total Florida Department of Environmental Protection			<u>98,444</u>	<u>-</u>
U.S. Department of Homeland Security				
Pass through Florida Division of Emergency Management				
Disaster Grants - Public Assistance - Hurricane Irma Relief	97.036	IAN	234,682	-
Total Florida Department of Environmental Protection			<u>234,682</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 10,561,486</u>	<u>\$ 5,525,359.00</u>
STATE FINANCIAL ASSISTANCE				
Florida Department of Environmental Protection				
Direct Projects				
Water Management Districts - Land Acquisition and Improvement				
Save Our Rivers - Johnson Easement/Ralph E. Simmons	37.022	SOR-3	5,421	-
Land Sale - Heart Island Conservation Area	37.022	FF-11	35,664	-
Restoration Activities - Land Management	37.022	2022-02	1,543,052	-
Restoration Activities - Land Management	37.022	2023-02	918,240	-
			<u>2,502,377</u>	<u>-</u>
Statewide Surface Water Restoration and Wastewater Projects				
Crane Creek/M-1 Canal Flow Restoration Project	37.039	33591/NS044	904,865.00	-
Tri County Agricultural Area Water Management Partnership	37.039	34943/MN012	471,930	-

(Continued)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

Federal/State Agency, Pass-through Entity Federal Program/State Project	ALN/ CSFA Number	Contract/ Grant Number	Total Expenditures	Expenditures to Subrecipients
In-Lake Treatments to Reduce Water Column Phosphorus in Lake Jesup	37.039	35309/MN014	182,453	-
Biosolids Discharge Measurements to Support BMAPS	37.039	35683/MN017	691,534	-
Lake Apopka Innovative Phosphorus Removal	37.039	36709/LPR0014	2,750,000	-
Doctors Lake Advanced Effluent Treatment	37.039	36727/LPR0013	766,990	-
Surface Water Sampling for the Status and GWTV Network	37.039	37007/MN025	184,836	-
Upper St. Johns River Basin Nutrient Evaluation	37.039	38231/MN028	72,286	-
Land Acquisition/Water Quality Assurance for Lake Apopka	37.039	2017-03/MOU16	4,780	-
St. Johns River and/or Keystone Heights Lake Region Restoration	37.039	2017-06/MOU20	767,497	-
Lake Apopka Restoration Project	37.039	2017-07/MOU17	356,350	-
St. Johns River and/or Keystone Heights Lake Restoration	37.039	2018-03/MOU20	11,346,206	391,502
St. Johns River and/or Keystone Heights Lake Restoration	37.039	2019-11/MOU20	6,412,022	-
Indian River Lagoon Water Quality Improvement Projects	37.039	2020-05/MOU21	4,982,007	4,869,112
			<u>29,893,756</u>	<u>5,260,614</u>
Florida Springs Grant Program				
Agricultural Best Management Practices	37.052	32411/LP42119	83,186	-
Marion County US 441 Sewer Force Main	37.052	35411/LPS0039	89,830	89,830
Wekiwa Springs Septic Tank Retrofit, Phase 1	37.052	36558/LPS0065	2,933,825	2,933,825
Oak Bend/I-75 Water Quality Improvement	37.052	36755/LPS0063	13,192	-
GRU Targeted Septic to Sewer - Creek Water Quality Improvement	37.052	36769/LPS0061	41,649	41,649
Spanish Oaks Water Quality Improvement	37.052	36770/LPS0064	9,871	-
GRU Low-Income Water Efficient Toilet Exchange Program	37.052	36772/LPS0059	15,000	15,000
Seminole County Little Wekiva Restoration Project	37.052	38049/LPS0072	204,673	204,673
Marion County Don Garlits Museum Septic to Sewer Construction	37.052	38066/LPS0070	18,750	18,750
Marion County 4-H Farm Septic to Sewer Conversion	37.052	38067/LPS0071	32,500	32,500
Orange City Volusia Blue Spring Septic to Sewer Program	37.052	38523/LPS0092	894,500	894,500
			<u>4,336,976</u>	<u>4,230,727</u>
Alternative Water Supply				
AWS City of Deltona, Alexander Avenue Water Resources Facility	37.100	35260/WS007	348,188	348,188
AWS Clay County Utility Authority (CCUA) Wastewater Treatability Study	37.100	35261/WS008	32,497	32,497
Central Florida Water Initiative Water Conservation Project	37.100	36215/WS018	36	36
FPL Okeechobee Clean Energy Center	37.100	37644/WS027	430,000	-
Winter Springs Tuskawilla Crossing Project	37.100	37645/WS032	500,000	500,000
Sanford Brackish RO WTP Pilot Project	37.100	37649/WS031	568,564	568,564
Mascotte South Lake County Wellfield	37.100	37652/WS021	1,383,759	1,383,759
Volusia County School Board McInnis Elementary School Sewer Improvements	37.100	37802/WS053	41,675	41,675
Casselberry South Water Treatment Plant Well #1 Modification	37.100	37803/WS052	45,993	45,993

(Continued)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

Federal/State Agency, Pass-through Entity Federal Program/State Project	ALN/ CSFA Number	Contract/ Grant Number	Total Expenditures	Expenditures to Subrecipients
CCUA Saratoga Springs Reclaimed Water Storage & Pumping Station	37.100	37804/WS055	90,573	90,573
Green Cove Springs Harbor Road Reclamation Facility Phase 2	37.100	37805/WS054	107,051	107,051
Cooperative Cost Share Initiative Program	37.100	38496/WS061	1,014,459	1,014,459
Rosala West Water Conservation	37.100	38630/WS060	47,300	-
			<u>4,610,095</u>	<u>4,132,795</u>
Innovative Technologies				
Intact Cellular Algae Harvesting in Lake Jesup	37.103	35747/INV002	169,128	-
Blue Green Algae Response Plan	37.103	38113/BGA02	411,950	-
			<u>581,078</u>	<u>-</u>
Total Florida Department of Environmental Protection			<u>41,924,282</u>	<u>13,624,136</u>
Florida Department of Agricultural and Consumer Services				
Prescribed Fire Enhancement Program	42.065	38396/29513	170,000	-
Total Florida Department of Agricultural and Consumer Services			<u>170,000</u>	<u>-</u>
Fish and Wildlife Conservation Commission				
Aquatic Habitat Conservation and Restoration Projects				
Emeralda Marsh Conservation Area-Area 1 Hydrologic Reconnection	77.016	38046/21176	87,770	-
			<u>87,770</u>	<u>-</u>
Manatee Management & Care				
SJRWMD Manatee Protection Systems	77.059	38794/22262	166,930	-
			<u>166,930</u>	<u>-</u>
Total Fish and Wildlife Conservation Commission			<u>254,700</u>	<u>-</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>42,348,982</u>	<u>13,624,136</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			<u>\$ 52,910,468</u>	<u>\$ 19,149,495</u>

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

Basis of Presentation

The Schedule of Expenditures of Federal Awards and State Financial Assistance is prepared on the modified accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are used during the year for budgetary control purposes. The information in this schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section 215.97, Florida Statutes, and Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Reporting Entity

The St. Johns River Water Management District (the District), for purpose of the Schedule of Expenditures of Federal Awards and State Financial Assistance, includes all the funds of the primary government as defined by GASB 14, The Financial Reporting Entity.

Pass-Through Awards

Pass-through entity identifying numbers are presented where available. Amounts passed through by the District to its subrecipients during the fiscal year ended September 30, 2023 are reported on the Schedule in a separate column.

Administrative Cost Allowance

The St. Johns River Water Management District has elected not to use the 10% *de minimus* indirect cost rate as outlined in the Uniform Guidance.

Annual Comprehensive Financial Report

Management Letter Section



Bald eagle

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM
GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To the Honorable Board of Governors of
St. Johns River Water Management District:

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited St. Johns River Water Management District's (the District) compliance with the types of compliance requirements identified as subject in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the *Florida Department Services State Projects Compliance Supplement*, that could have a direct and material effect on each of the District's major federal programs and major state projects for the year ended September 30, 2023. The District's major federal programs and major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, St. Johns River Water Management District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and Each Major State Project

We conducted our audit or compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and major state project. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs and state projects.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program and major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

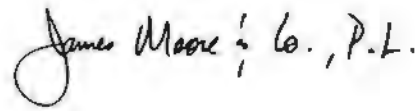
Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or as combination of deficiencies, in internal control over compliance with the type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive, flowing style.

Daytona Beach, Florida
April 25, 2024

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

I. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditors' report issued on compliance for major Federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X none reported

Auditee qualified as a low-risk auditee? _____ yes X no

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Identification of major Federal programs:

<u>Assistance Listing Number</u>	<u>Program Name</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
(Continued)**

State Financial Assistance Awards:

Internal control over major State projects:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditors' report issued on compliance for major State projects: *Unmodified*

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? _____ yes X none reported

Dollar threshold used to distinguish between type A and type B programs: \$1,270,469

Identification of major State projects:

<u>CSFA Number</u>	<u>Program Name</u>
37.022	Land Acquisition and Improvement
37.039	Statewide Surface Water Restoration and Wastewater
37.052	Florida Springs Grant Program

II. **Financial Statement Findings:** None

III. **State Financial Assistance Projects Findings and Questioned Costs:** None

IV. **Prior Audit Findings:** None

V. **Corrective Action Plan:** Not applicable as no current year findings have been reported.

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

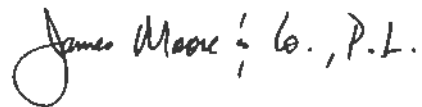
To the Honorable Board of Governors of
St. Johns River Water Management District:

We have examined the St. Johns River Water Management District's (the District) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023. The District's management is responsible for compliance with those requirements. Our responsibility is to obtain reasonable assurance about whether the District complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023, in all material respects, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating whether the City complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of evaluation of the City's compliance based on our examination during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

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



Daytona Beach, Florida
April 25, 2024

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To the Honorable Board of Governors of
St. Johns River Water Management District:

Report on the Financial Statements

We have audited the financial statements of St. Johns River Water Management District's (the District), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April 25, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on 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 and schedule, which are dated April 25, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The following summarizes the status of the prior year finding and recommendation:

2022-003 – Budgetary Noncompliance – Corrective action taken.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. St. Johns River Water Management District was established by Chapter 373 of the Florida Statutes, known as the Florida Water Resources Act of 1972. There are no component units of the District to be disclosed as required by accounting principles generally accepted in the United State of America.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

Special District Specific Information

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the District reported the following unaudited data:

- a) The total number of district employees compensated in the last pay period of the district's fiscal year: 513
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year: 130

- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$50,209,861
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$25,614,870
- e) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - 1. Banack Family Limited Partnership – Irrigation Retrofit, Pump Automation and Soil Moisture Sensors - \$274,316
 - 2. Brevard County Flamingo Drive Denitrification Chamber - \$438,929
 - 3. Brevard County Grand Canal Muck Removal Phase 4 - \$1,287,110
 - 4. Brevard County Lionel Road – Basins 115 and 116 - \$400,000
 - 5. Brevard County Pioneer Road Denitrification - \$865,000
 - 6. Brevard County W Arlington – Basin 1304B - \$119,512
 - 7. Burrell Lock Rehabilitation - \$2,562,000
 - 8. C-231 Repair Seepage Areas - \$713,515
 - 9. City of Bunnell Wastewater Treatment Facility Improvements - \$24,589,712
 - 10. City of DeLand Reclaimed Water Main Extension – Phase 5 - \$3,262,117
 - 11. City of Flagler Beach Sewer Infrastructure Lining Rehabilitation – Phase 3 - \$989,658
 - 12. City of Groveland Crystal Lake Reclaimed Water Systems Improvements - \$415,000
 - 13. City of Groveland Lower Floridan Aquifer Well for Reclaimed Water at Sunshine Road - \$2,000,000
 - 14. City of Groveland South Lake County Lower Floridan Wellfield Project – Distributed - \$4,500,000
 - 15. City of Longwood East Longwood Septic-to-Sewer Phase II - \$3,634,158
 - 16. City of Minneola AWS Reclaimed Water Project - \$5,002,000
 - 17. City of Neptune Beach Wastewater Treatment Facility Process, Upgrade - \$1,750,000
 - 18. City of Orange City for Volusia Blue Spring Septic-to-Sewer Program - \$1,790,000
 - 19. City of Palatka Water Main Improvements – Madison Street - \$570,688
 - 20. City of Palm Coast London Waterway Expansion - \$3,618,000
 - 21. City of Satellite Beach City Hall Pond Beemats/Living Shoreline - \$283,200
 - 22. City of Satellite Beach Roosevelt Baffle Box Replacement - \$785,000
 - 23. City of Satellite Beach South Basis Ditch Stormwater Improvements - \$747,533
 - 24. City of Vero Beach Canal to Irrigation Water Project - \$10,920,010
 - 25. City of Vero Beach Stormwater Treatment Plant - \$2,000,000
 - 26. City of Winter Springs Tuskawilla Crossing Reclaimed Water Main - \$1,000,000
 - 27. Corinthian Villas Homeowners Association Sewer Project - \$232,825
 - 28. DeLee Produce Precision Fertilizer Equipment - \$285,874
 - 29. Estes Citrus Uttam Grove Pump Automation - \$83,914
 - 30. First Farms Irrigation Drain Tile Field 4 - \$550,901
 - 31. Hammond Groves, Inc. – Irrigation Retrofit with Fertigation and Soil Moisture Sensors - \$334,824
 - 32. IMG Citrus Irrigation Retrofit and Pump Automation - \$141,185
 - 33. IMG Citrus/Kanjuku Grove Irrigation Retrofit with Pump Automation - \$318,638
 - 34. Indian River County West Wabasso Phase 3 Septic-to-Sewer - \$1,632,000
 - 35. JEA Demand-Side Management Water Conservation Program - \$10,950,145
 - 36. JEA H2.0 Purification Demonstration Facility - \$44,054,587
 - 37. JEA Ozone Wetland Pilot Study - \$6,000,000
 - 38. JEA US 1 – Greenland Water Reclamation Facility to County Road 210 Reclaimed Water Main - \$24,484,282
 - 39. Jeff Parker Farms Convert to Irrigation Drain Tile - \$202,795

40. John M. Seay Farms Liquid Fertilizer Equipment - \$292,591
41. L and M Farms of North Florida LLC Pipe Drops and Precision Fertilizer - \$127,996
42. L-77W Levee Regrading - \$324,396
43. Lake Apopka Newton Park Dredging Project - \$300,000
44. Lake Apopka Refurbish Unit 1 Pump Station - \$68,195
45. Lake Apopka Wildlife Drive Levee Repairs - \$844,883
46. Linear Source Liquid Fertilizer System with Automation - \$257,375
47. Manatee Barriers - \$396,240
48. Marino County 4-H Farm Septic-to-Sewer Conversion - \$141,215
49. Marion County CP 59 Country Gardens Stormwater Remediation - \$338,873
50. Marion County Don Garlits Museum Septic-to-Sewer Conversion - \$156,512
51. Marion County Southeast 64th Avenue Road Drainage Retention Area - \$539,506
52. May and Whitaker BB Irrigation Retrofit with Soil Moisture Sensors and Weather Station - \$74,845
53. Orange County Utilities Cypress Lake Wellfield – Oak Meadows Alternative Water Supply Delivery Enhancements - \$1,333,000
54. Orange County Utilities Water Conservation with Advanced Targeting Phase 2 - \$141,160
55. Orange County Wekiwa Springs Septic Tank Retrofit Project Phase 2 - \$8,727,135
56. Orange County Wekiwa Springs Septic Tank Retrofit Project Phase 3 - \$12,300,000
57. Putnam County Port Buena Vista Sewer Plant Conversion - \$500,000
58. Regrade/Stabilize L-73 Section 2 Levee - \$79,250
59. Regard the Marsh Flow-Way Levee/Access Roads - \$109,794
60. Remove Dilapidated Structures on District Properties - \$67,110
61. Riverdale Potato Farm Precision Fertilizer Equipment - \$310,200
62. Riverdale Conservancy Living Shoreline Initiative – Resiliency - \$190,440
63. Roy Brown Irrigation Retrofit - \$86,049
64. Smith and Jons Inc. Irrigation Drain Tile - \$205,522
65. South Oslo Riverfront Conservation Area Restoration – Resiliency - \$200,000
66. St. Johns County State Road 16 and County Road 2209 Reclaimed Water Transmission Main Upsizing - \$12,589,160
67. Stick Marsh Pump Station Unit 4 Upgrade to Axial Flow Pumps - \$345,272
68. Sun Ag LLC/Fellsmere Joint Venture LLC – Irrigation Retrofit/Valve Control/Soil Moisture Sensors - \$367,794
69. Sun Ag Surface Water Pump/Automation - \$330,973
70. Sunshine Water Services Oranges Lower Floridan Well - \$1,832,500
71. Tater Farms Precision Agriculture - \$119,581
72. Titusville Causeway Multitrophic Restoration and Living Shoreline – Resiliency - \$800,000
73. Total Ag Care Irrigation Conversion on Strawberries & Pump Automation - \$377,858
74. Town of Callahan Force Main Extension to Fairgrounds - \$742,400
75. Town of Howey-in-the-Hills Lower Floridan Aquifer Project - \$2,000,000
76. Town of Interlachen Water Supply System Replacement – Phase 4 - \$1,093,705
77. Town of Oak Hill 200 LLC Rosala West Water Conservation - \$101,508
78. Town of Orange Park Septic Conversion - \$547,672
79. Upper Ocklawaha River Basin Emerald Marsh Area 3 Reconnection - \$265,250
80. Volusia County School Board McInnis Elementary School Sewer Improvements - \$500,000
81. Wild Goose Farms LLC – Irrigation Retrofit & Automation/Weather Stations/Soil Moisture Probes/Fertigation - \$162,663
82. Wild Goose Farms Precision Fertilizer Equipment - \$86,138
83. Yu An Farms Irrigation Conversion and Precision Fertilizer - \$381,142

84. Yu An Farms Irrigation Drain Tile Fields 3 and 4 - \$807,860

- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows: The District's original budget totaled \$296,276,406 and was amended by the total amount of \$7,000,000, for final budgeted expenditures of \$303,276,406.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the District reported the following unaudited data:

- a) The millage rate or rates imposed by the district: 0.1974
- b) The total amount of ad valorem taxes collected by or on behalf of the district: \$95,473,023
- c) The total amount of outstanding bonds issued by the district and the terms of such bonds: No outstanding debt.

Monthly Financial Statements

Sections 10.554(1)(i)9.a. and 10.556(9), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its Web site. In connection with our audit, we determined that the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its Web site.

Transparency

Section 10.554(1)(i)9.b. and 10.556(9), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the District provided a link on its Web site to the Florida Department of Financial Service's Web site to view the District's annual financial report submitted to the Department. In connection with our audit, we determined that the District provided a link on its Web site to the Florida Department of Financial Service's Web site.

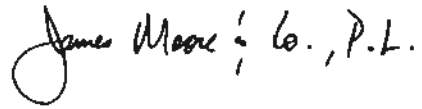
Section 10.554(1)(i)9.c. and 10.556(9), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the District posted its tentative and final budgets on its Web site. In connection with our audit, we determined that the District posted its tentative and final budgets on its Web site.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looping initial "J".

Daytona Beach, Florida
April 25, 2024



St. Johns River Water Management District
Office of Financial Services
4049 Reid Street
Palatka, FL 32177
www.sjrwmd.com