
Annual Comprehensive Financial Report



Fiscal year ended
September 30, 2022

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, 2022

Prepared by
Office of Financial Services
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ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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Annual Comprehensive Financial Report

Introductory Section



River otter

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) 2021–2022

Date: April 11, 2023

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, 2022.

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, 2022, 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

Ryan Atwood
MOUNT DORA

Maryam H. Ghyabi-White, VICE CHAIR
ORMOND BEACH

Doug Bourmique
VERO BEACH

J. Chris Peterson, SECRETARY
WINTER PARK

Douglas Burnett
ST. AUGUSTINE

Ron Howse, TREASURER
COCOA

Cole Oliver
MERRITT ISLAND

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 5.4 million people (25 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 2021–22, a little less than a third of the District’s total final budget (\$296.6 million) was funded by property taxes (\$93.1 million). The District’s total taxable assessed property values were \$439.9 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 results for FY 2021–22 were even more significant than the previous year with collections climbing to nearly \$5.4 billion. 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 disruption¹.

Housing Starts — Single-family building permit activity, an indicator of new construction, remains in positive territory, beginning with strong back-to-back growth in both 2012 and 2013 calendar years (over 30 percent in each year). The final data for the 2014 calendar year revealed 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% higher in 2021, relative to the prior year¹.

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 2021 exceeded the 2005 peak year, but the first seven months of 2022 were slow, with six of the seven months posting lower sales than the prior year. The story is different for sales price. Through October 2021, Florida’s existing home price gains roughly tracked national gains, but generally stayed below the national median price. From November 2021 through July 2022, Florida’s median price was at or above the national median, peaking in January 2022 at 104.0%¹.

Unemployment — According to the Office of Economic and Demographic Research, Florida’s unemployment rate had been below 4.0 percent from February 2018 through February 2020. With the onset of the pandemic, the unemployment rate spiked to 13.9 percent in May 2020, handily surpassing the prior peak rate of 10.9 percent experienced in the first four months of 2010 during the Great Recession. Florida’s unemployment rate is now approaching its lowest recorded rate in modern times, which was 2.4 percent in the first half of 2006¹. The District’s unemployment rate is at 2.6 percent, while Florida’s is also at 2.6 percent, both lower than the national average of 3.4 percent.

Tourism — According to the Office of Economic and Demographic Research, 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. The onset of the coronavirus and the resulting lockdowns, social distancing and travel restrictions led to a decline in tourism that has had a profound impact on Florida’s economy. 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. The magnitude of this loss caused FY 2019–20 to record a -19.1 percent decline in tourists from the prior year. The damage continued in FY 2020–21, leading to an additional -7.2 percent loss from the prior year’s already suppressed level and a combined -25.0 percent decline from the FY 2018–19 record-

breaking year. By FY 2021–22, the outsized increase in domestic visitors offset some of the international losses, leading to growth of 39.4 percent over FY 2020–21 and growth of 4.6 percent over the prior peak¹.

Population — According to the Office of Economic and Demographic Research, Florida is currently the third most populous state, behind California and Texas. Florida’s population exhibited strong growth over the past two years. Between April 1, 2018, and 2019 population grew by 334,904 residents (1.61 percent), while between April 1, 2019, and 2020 the state added 348,338 residents (1.64 percent). In the first full year of the pandemic, Florida’s strong migration trends continued, increasing population by 360,758 residents (1.67 percent) despite the losses from more deaths than births. This was the strongest annual increase since FY 2005–2006, immediately prior to the collapse of the housing boom and the beginning of the Great Recession. The future will be different than the past as Florida’s long-term growth rate between 1970 and 1995 was over 3 percent. Between 2021 and 2025, growth is forecast to average 1.24 percent. As a result of both net migration and natural increase, Florida is forecast to grow by over 5.6 million persons between 2010 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 (\$129.6 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. At that point, projected to occur in the next three to five years, recurring funding for capital improvements and cooperative funding will necessarily come from non-local resources and operational savings.

Capital Improvements

The District proposes to spend \$323.07 million on 52 fixed capital projects during the planning period from FY 2022–23 through FY 2026–27. Total planned capital expenditures in FY 2022–

¹ http://edr.state.fl.us/content/presentations/economic/FlEconomic&RevenueUpdate_8-24-22.pdf

23 is \$105.8 million, which is a 93.1 percent, or \$51.01 million, increase as compared to the adopted CIP budget for FY 2021–22.

Significant changes in capital expenditures during the planning period are:

- Excluding land acquisitions, the District is planning for 13 multimillion-dollar capital projects. Two projects are in subactivity 2.2.1, which includes the Black Creek Water Resource Development Project (\$112.6 million) and the Taylor Creek Reservoir Improvements (\$35.5 million). Four projects are in activity 2.3 for the C-10 Water Management Area Project (\$41.0 million), Sunnyhill Berm Improvements (\$6.2 million), Crane Creek M-1 Canal Flow Restoration (\$21.1 million), and Sebastian River Inlet District Resiliency Project (\$49.8 million). The remaining seven projects are in activity 3.2, which consists 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 funded with \$37.3 million in State revenues and \$19.2 million from local sources, and the Crane Creek M-1 Canal Project, which is funded with \$4.5 million in federal through state Alternative Water Supply (AWS) funding, \$2.3 million from DEP, and \$1.9 million from Brevard County, 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 accounts for 45.8 percent of the total and Surface Water Projects accounts for 37.1 percent of the total. Land Acquisition ranks third at 10 percent while Works accounts for 6.2 percent of the total. Facilities Management accounts for 0.5 percent of the total anticipated expenditures. Land Management accounts for 0.3 percent of the total expenditures during the planning period, which is just slightly more than the next activity, Research, Data Collection, Analysis, and Monitoring (0.1 percent).

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 ten cooperative funded projects ranked by total expenditures for FY 2021–2022. Table 1.3 on page *xiv* reports the top ten cooperative funded projects ranked by total project cost from all contributors along with estimated completion dates for FY 2021–2022.

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, 2022

| Rank | Project Name | Project Description |
|-------------|---|--|
| 1 | Apoka Service Center Building | The District has leased space in the Orlando area since 1986. The location allowed District staff to work with local customers and stakeholders on a variety of matters, including Regulatory permitting. It was also used for a variety of agency collaborative meetings, outreach and training events, workshops, and served as a data disaster recovery center. At the end of our lease, we worked from leased facilities in the Greater Orlando area for 35 years. Owning both the service center's land and building will result in long-term savings for the District. |
| 2 | S-96 Rehabilitation | S-96 was built in 1968 as part of the original flood control plan that was later incorporated into the Upper St. Johns River Basin (USJRB) Project. S-96 is designed to discharge water from the St. Johns Water Management Area (SJWMA) into C-54 in times of high water. The S-96 rehabilitation includes dewatering, concrete repairs, and all ancillary items associated with the structure. |
| 3 | Crane Creek M-1 Canal Flow Restoration | This project will restore M-1 Canal baseflows and back west to the 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. |
| 4 | 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 minimum flows and levels (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. |
| 5 | Lake Apopka Lake Level Canal Interconnection | Interconnect improvements will help to contain more water and phosphorus on the Lake Apopka North Shore. A study completed by Wood Environment and Infrastructure Solutions, estimated the interconnect improvements between the Duda Area and Unit 1, along with additional improvements around the North Shore, would result in a 57 percent reduction in total discharge and associated total phosphorus loadings to the lake from the North Shore. |
| 6 | Moss Bluff Drum and Cable | The District is converting all major water control structure gates in the USJRB and the Upper Ocklawaha River Basin (UORB) from a hydraulic lift system to a drum and cable winch system. These gates are frequently used during minor and major storm events. Because of the drifting of the gate hydraulics, constant monitoring is required, and frequent adjustments are necessary to maintain flood control flows. The District has evaluated replacing/refurbishing the hydraulic cylinders but determined that a drum and cable system will be more reliable and appropriate for the structure. |
| 7 | 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. |
| 8 | Lake Washington Alternative Water Supply Infrastructure | Over time, airboats and motorized boats have used this opening to avoid using the airboat ramp or small boat lift over the weir to access points downstream. This traffic has caused the marsh to degrade below the elevation of the weir and water is now flowing around the weir. This has caused the elevations within Lake Washington to drop below minimum levels acceptable for maintaining a safe drinking water supply. Attempts by both District staff to in stall a sandbag cofferdam and a contractor to install a temporary vinyl sheet pile wall were not successful in completely plugging this breach and water continues to bypass the weir. The District is considering this an emergency measure to stabilize the water elevations within Lake Washington. |

| Rank | Total Expended in FY 2021-22 | Total Expended Life to Date | Estimated Total Project Amount | Project Start Date | Estimated Completion Date |
|-------------|---|--|---|---------------------------|--------------------------------------|
| 1 | \$ 4,108,758 | \$ 7,694,453 | \$ 7,887,720 | Apr 2018 | Aug 2022 |
| 2 | 2,758,581 | 2,759,654 | 2,932,000 | Oct 2021 | Aug 2022 |
| 3 | 1,074,924 | 2,545,899 | 23,391,457 | Jan 2018 | Dec 2024 |
| 4 | 916,191 | 6,068,432 | 92,100,520 | July 2017 | July 2025 |
| 5 | 816,430 | 1,987,594 | 1,987,594 | Nov 2020 | Jan 2022 |
| 6 | 611,602 | 611,602 | 613,002 | Jan 2022 | July 2022 |
| 7 | 327,180 | 327,180 | 678,830 | Dec 2021 | April 2023 |
| 8 | 281,373 | 281,373 | 281,373 | July 2022 | Sept 2022 |
| <hr/> | | | | | |
| | <u>\$ 10,895,039</u> | <u>\$ 22,276,187</u> | <u>\$ 129,872,496</u> | | |

St. Johns River Water Management District, Florida
Table 1.2 - Top Ten Cooperative Funded Projects by FY22 Expenditure
For the Year Ended September 30, 2022

| Rank | Project Name | Project Description |
|-------------|---|---|
| 1 | South Florida Water Management District Indian River Lagoon Cost-share | South Florida Water Management District's portion of the Indian River Lagoon Appropriation. |
| 2 | Orange County Wekiwa Springs Septic Tank Retrofit Project Phase 1 | This project is part of a multi-phase program, ultimately consisting of converting 2,057 OSTDS (septic tanks) to sewer systems within the Wekiwa Springshed. Phase 1 portion of the project, which involves the construction of laterals, sewer connections, septic tank abandonment, sanitary sewer main, and lift stations for the 213 parcels in the Sweetwater West and Wekiwa Highlands neighborhoods. |
| 3 | Lake Apopka Innovative Total Phosphorus Removal | Design, materials, labor, testing, and disposal of by-product necessary to remove total phosphorus (TP) from the Lake Apopka water column. |
| 4 | Volusia County Gabordy Canal and 10th Street Stormwater Treatment Project | Project includes the pumping of stormwater from the Gabordy Canal through a 2-acre treatment facility consisting of a 1-ft layer of sand for nitrification and a 2-ft layer of BAM for denitrification and phosphorous absorption. |
| 5 | Putnam County Horse Landing and Elsie Drive Septic-to-Sewer — Rural Economic Development Initiative | The project is the second phase of the county's septic to sewer project. Up to 185 septic tanks in the Horse Landing and Elsie Drive areas will be abandoned and the properties connected to sewer. |
| 6 | Indian River County Moorhen Marsh Low Energy Aquatic Plant System | Construction of an aquatic plant based treatment system that will treat stormwater from a 6,300-acre contributing area. The system will pump 10 million gallons daily (mgd) from the North Relief Canal and into the aquatic plant treatment system. |
| 7 | City of DeLand North West Reclaimed Water Ground Storage Tank and Pump Station | Construction of a 2 million gallon (MG) Ground Storage Tank (GST) and a 6 MGD high service pump station to serve the City's Central and northern service areas. The project is anticipated to provide additional storage for 2 MG of alternative water. |
| 8 | Clay County Utility Authority — Doctors Lake Septic Tanks to Centralized Sewer Conversion | The project is composed of identifying a residential area(s) that are utilizing traditional septic systems within proximity of Doctor's Lake, providing/connecting residences to the central sewer system, and abandoning the associated septic tanks. |
| 9 | City of DeLand Reclaimed Water System Expansion Phase 4A and Adelle Avenue Project | Construction of approximately 17,300 feet of reclaimed water main extension to support the distribution network in order to serve new customers on Adelle Avenue in the NW service area. This area incorporates the Phase 4A distribution areas. |
| 10 | City of Green Cove Springs Harbor Road Water Reclamation Facility Phase 2 | Phase 2 will completely replace the existing wastewater treatment facility that was not designed with biological nutrient removal capabilities. |

| Rank | Total Expended in FY 2021-22 | Total Expended Life to Date | Estimated Total Project Amount | Project Total including all contributors | Project Start Date | Estimated Completion Date |
|---|---|--|---|---|-------------------------------|--|
| 1 | \$ 2,638,662 | \$ 2,638,662 | \$ 8,303,928 | \$ 8,303,928 | Mar 2020 | Sept 2023 |
| 2 | \$ 1,720,716 | 1,845,949 | 5,800,000 | 9,600,000 | Jun 2021 | Mar 2023 |
| 3 | 1,637,347 | 2,773,557 | 6,475,000 | 6,475,000 | Jan 2019 | Sept 2023 |
| 4 | 1,633,691 | 1,911,784 | 1,911,784 | 1,911,784 | May 2021 | Sept 2022 |
| 5 | 1,279,375 | 1,279,375 | 1,279,375 | 1,279,375 | Oct 2021 | May 2022 |
| 6 | 1,250,000 | 1,250,000 | 1,250,000 | 1,250,000 | Aug 2021 | Mar 2023 |
| 7 | 1,155,384 | 1,679,076 | 1,937,164 | 3,691,664 | Oct 2021 | June 2022 |
| 8 | 1,108,498 | 1,217,518 | 1,500,000 | 1,500,000 | Nov 2021 | Mar 2023 |
| 9 | 1,101,899 | 2,069,500 | 2,069,500 | 4,139,000 | Jun 2021 | June 2022 |
| 10 | 1,015,601 | 1,300,704 | 1,500,000 | 5,890,000 | Mar 2021 | May 2023 |
| \$ 14,541,174 \$ 17,966,124 \$ 32,026,751 \$ 44,040,751 | | | | | | |

St. Johns River Water Management District, Florida
Table 1.3 - Top Ten Cooperative Projects by Total Project
For the Year Ended September 30, 2022

| Rank | Project Name | Project Description |
|-------------|--|---|
| 1 | City of Jacksonville McCoys Creek Improvements | This is part of a multi-phased project to restore aspects of the creek's natural systems by enhancing natural creek flow and natural flood plane, removing two bridges, raising two bridges above the 100 year flood stage, and opening the mouth of McCoys Creek. |
| 2 | Dispersed Water Storage / Nutrient Reduction Pilot Project with Fellsmere Joint Venture | The District is evaluating environmental benefits from using citrus groves and other private lands for retention of stormwater to reduce excess freshwater and nutrients from being released to the Indian River Lagoon. The Fellsmere project will create an ~1,300 acre reservoir to store ~18 mgd of stormwater on an annual basis. Nutrient reductions should be ~24 metric tons (MT) nitrogen and 3 MT phosphorus annually. |
| 3 | City of Deltona Alexander Avenue Water Resources Facility (AAWRF), Phase 4B | Phase 4B Lake Monroe intake will include two passive 1/8-inch intake screens with cleaning systems. A 24-inch water transmission main from the Lake Monroe intake will transfer raw water from the pump station to the AAWRF Phase 4A to be treated. This project will enable the City to meet and even exceed its CUP requirement to PAR customers, provide for the expansion of the Alexander Avenue rapid infiltration basins, and benefit the Volusia Blue Springs MFL. |
| 4 | City of Titusville Osprey Water Reclamation Nutrient Removal Upgrade | The project includes construction of biological, chemical, and physical process upgrades throughout the Osprey Water Reclamation Facility directed toward achieving an effluent total nitrogen (TN) concentration of 3 milligrams per liter (mg/L) and an effluent TP concentration of 1 mg/L. |
| 5 | Orange County Wekiwa Springs Septic Tank Retrofit Project Phase 1 | Multi-phase program in which phase 1 involves the construction of laterals, sewer connections, septic tank abandonment, sanitary sewer main, and lift stations for the 213 parcels in the Sweetwater West and Wekiva Highlands neighborhoods. |
| 6 | City of Rockledge Flow Equalization Basin Project | The project includes the addition of a new 1.4 million gallon influent equalization basin, associated pump station, and supporting facilities at the Rockledge wastewater treatment plant. |
| 7 | City of Cocoa Beach Muck Removal Phase 2b | Dredging approximately 150,000 cubic yards of muck from 12 canals, approximately 60-acres. Phase 2B is the final phase of an overall three-phased plan. |
| 8 | City of Ocala Lower Floridan Aquifer Conversion | Construction of three, 24-inch diameter production wells, each with a five MGD capacity at Water Treatment Plant (WTP) #2. |
| 9 | Lake Apopka Innovative Total Phosphorus Removal | The project will utilize an innovative treatment technology and the District will pay a pre-negotiated rate for each pound of TP removed from Lake Apopka's water column. |
| 10 | City of Umatilla Wastewater Interconnection Pipeline – Rural Economic Development Initiative | Decommission aging Umatilla Wastewater Treatment Plant and build an interconnect between the cities of Umatilla and Eustis to all wastewater generated in Umatilla to be pumped to the City of Eustis for treatment and disposal. |

| Rank | Expended in FY 2021-22 | Total District Funding | Total State Funding | Total Cooperative Funding | Project Total including all contributors | Project Start Date | Estimated Completion Date |
|-------------|---------------------------------------|---------------------------------------|--------------------------------|--|---|-----------------------------------|--|
| 1 | 142,589 | 1,500,000 | - | 18,000,000 | 19,500,000 | Jun 2021 | Sept 2023 |
| 2 | 16,424 | 16,155,000 | - | - | 16,155,000 | Sept 2016 | Sept 2034 |
| 3 | 984,442 | 1,500,000 | 3,379,000 | 9,400,000 | 14,279,000 | Jan 2022 | Jun 2023 |
| 4 | 731,286 | 675,000 | 675,000 | 10,350,000 | 11,700,000 | Jun 2021 | Jun 2023 |
| 5 | 1,720,716 | 1,500,000 | 4,300,000 | 3,800,000 | 9,600,000 | Jun 2021 | Dec 2023 |
| 6 | 180,393 | 1,917,250 | - | 5,751,750 | 7,669,000 | Mar 2022 | Sept 2023 |
| 7 | 296,450 | 1,500,000 | - | 5,792,650 | 7,292,650 | Oct 2019 | Mar 2022 |
| 8 | 201,027 | 1,825,662 | 722,812 | 4,274,176 | 6,822,650 | Jan 2022 | Sept 2023 |
| 9 | 1,637,347 | 825,000 | 5,650,000 | - | 6,475,000 | Jan 2019 | Sept 2023 |
| 10 | 870,485 | 1,500,000 | - | 4,413,284 | 5,913,284 | Oct 2020 | Jun 2022 |
| <hr/> | | | | | | | |
| | \$6,781,159 | \$28,897,912 | \$14,726,812 | \$61,781,860 | \$105,406,584 | | |

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, 2021. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual 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 Comprehensive Annual 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 Communications, and Division of Projects.

Respectfully submitted,



Victoria Kroger,
Office Director, Office of Financial Services



R. Gregory Rockwell, CPA
Accounting Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

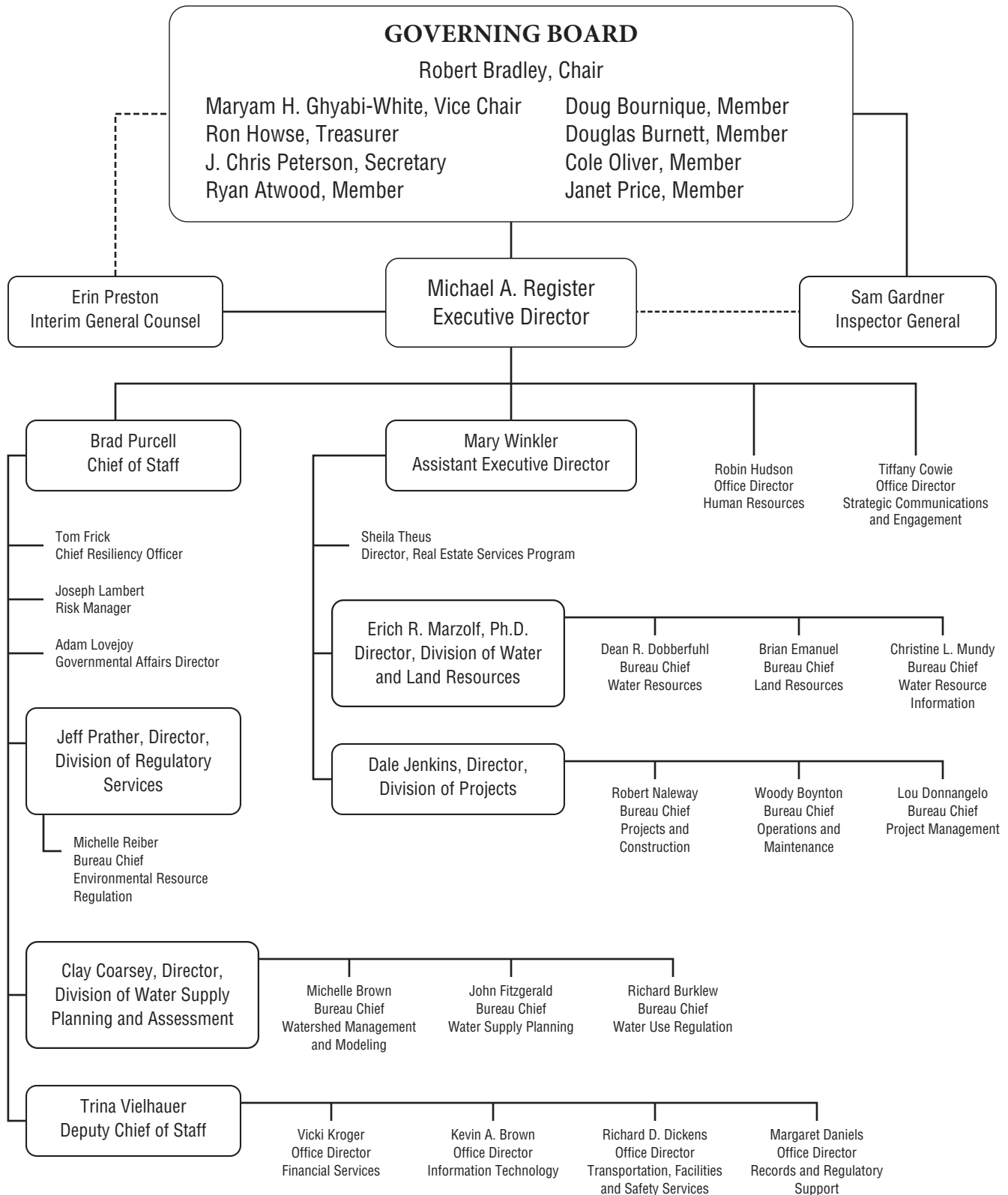
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

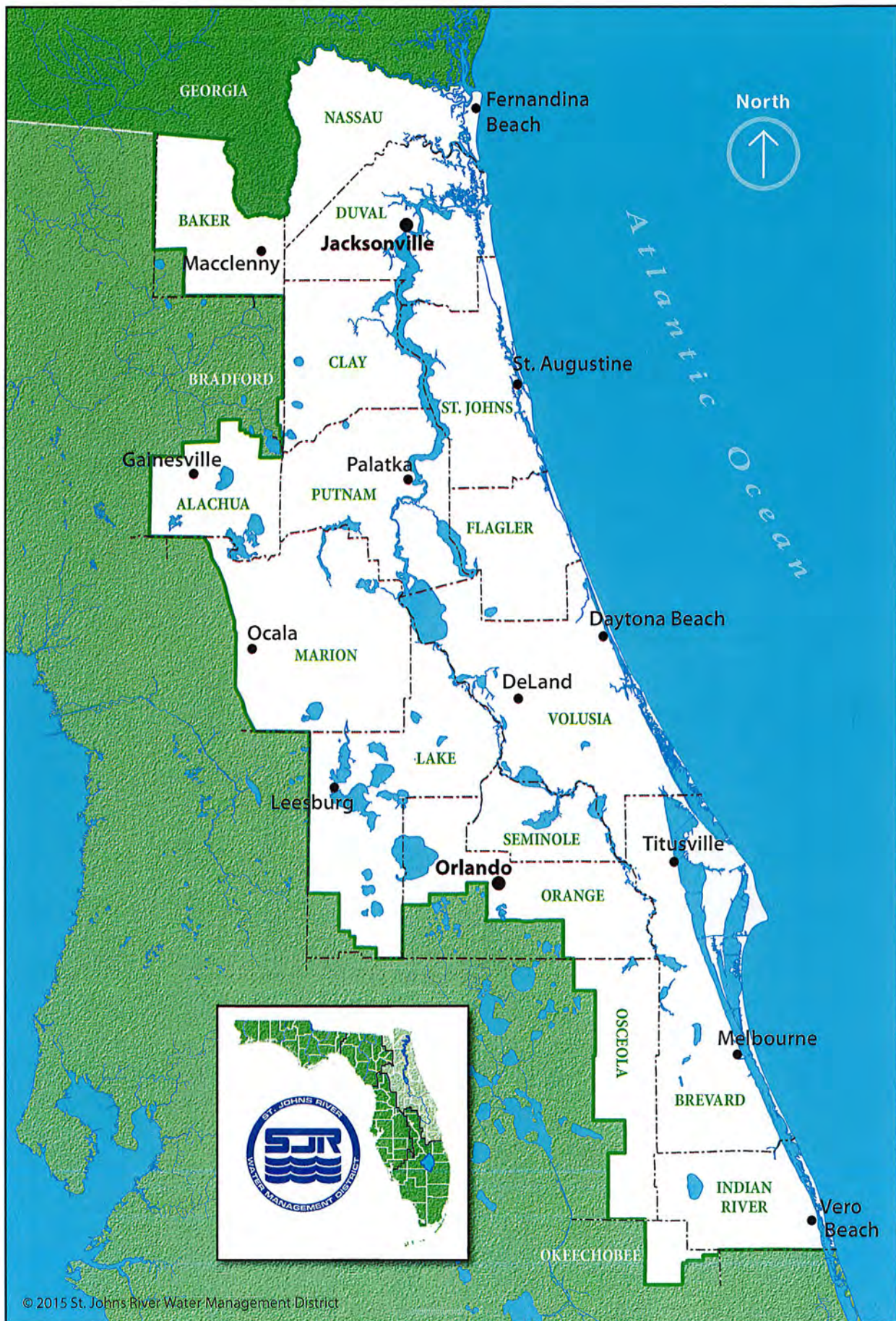
September 30, 2021

Executive Director/CEO

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

As of Sept. 30, 2022





Annual Comprehensive Financial Report

Financial Section



Tricolored heron

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



Amaryllis

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, 2022, 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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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 will always detect a material

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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 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.

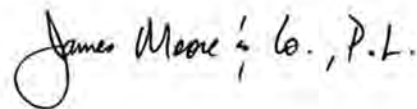
The supplementary information and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's 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 March 29, 2023, 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
March 29, 2023



Passion flowers

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, 2022**

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, 2022, primarily the result of significant ownership of non-depreciable assets in the form of land (\$838.7 million) and easements (\$231.7 million) owned by the District. Net position increased \$28.8 million, or 2.2 percent, this year compared to a \$22.1 million, or 1.7 percent, increase the prior year.
- Total fund balance increased \$10.7 million, or 7.1 percent, from the previous fiscal year, primarily from increases in ad valorem property tax revenue and lease and timber sales, as well as from proceeds from sale of land and substantial decreases in general fund expenditures, year over year, in the major expenditure category – acquisition, restoration and public works. A further breakdown of fund balance changes by individual funds is discussed in the Financial Analysis of the Government's Funds section.
- The District's cooperative funding/cost-share program expended \$35.8 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. **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.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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 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.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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 (\$133.0 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) 2021–22. The overall condition of the District improved in FY 2021–22.

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.

The District's General Fund fund balance increased \$11.8 million in FY 2021–22 to a total of \$136,714,822, primarily as result of a year-over-year reduction in cooperative funding and salaries and benefits expenditures of \$3.4 million and \$1.0 million, respectively. Additionally, transfers out decreased \$4.8 million due to utilizing capital projects fund balance and ad valorem property tax revenues increased \$2.1 million.

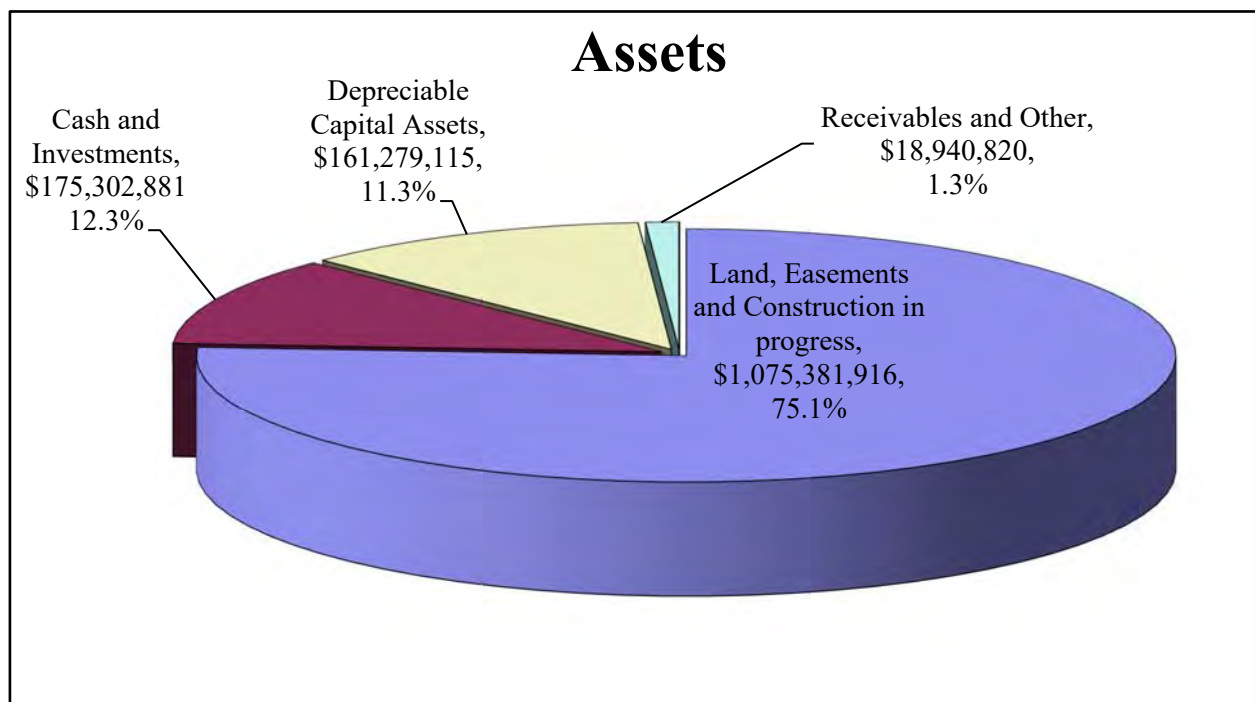
**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

DISTRICT'S NET POSITION

| | 2022 | 2021 |
|--|-------------------------|-------------------------|
| Current and other assets | \$ 194,243,701 | \$ 176,393,326 |
| Capital assets, net | 1,236,661,031 | 1,217,378,165 |
| Total assets | <u>1,430,904,732</u> | <u>1,393,771,491</u> |
| Deferred outflows | 8,809,986 | 7,679,995 |
| Long-term liabilities outstanding | 45,059,963 | 24,365,662 |
| Other liabilities | 30,397,407 | 22,535,102 |
| Total liabilities | <u>75,457,370</u> | <u>46,900,764</u> |
| Deferred inflows | 7,474,960 | 26,543,260 |
| Net Position: Net investment in capital assets | 1,236,661,031 | 1,217,378,165 |
| Restricted | 16,920,572 | 17,863,617 |
| Unrestricted | 103,200,785 | 92,765,680 |
| Total net position | <u>\$ 1,356,782,388</u> | <u>\$ 1,328,007,462</u> |

The District's total net position increased by \$28.8 million, or 2.2 percent, and the cash and investment position increased \$11.0 million, or 6.7 percent, as a result of a \$9.6 million increase in cash in escrow with Florida Department of Financial Services as Escrow Agents for the Black Creek Water Resource Development Project (Black Creek WRD) coupled with a \$2.1 million increase in ad valorem (property tax) revenues.

Unrestricted net position increased \$10.4 million due to expenditure decreases and revenue increases. Long-term liabilities outstanding increased \$20.7 million due to an increase in the FRS pension liability of \$21.0 million. Capital assets increased \$19.2 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, 2022**

DISTRICT'S CHANGE IN NET POSITION

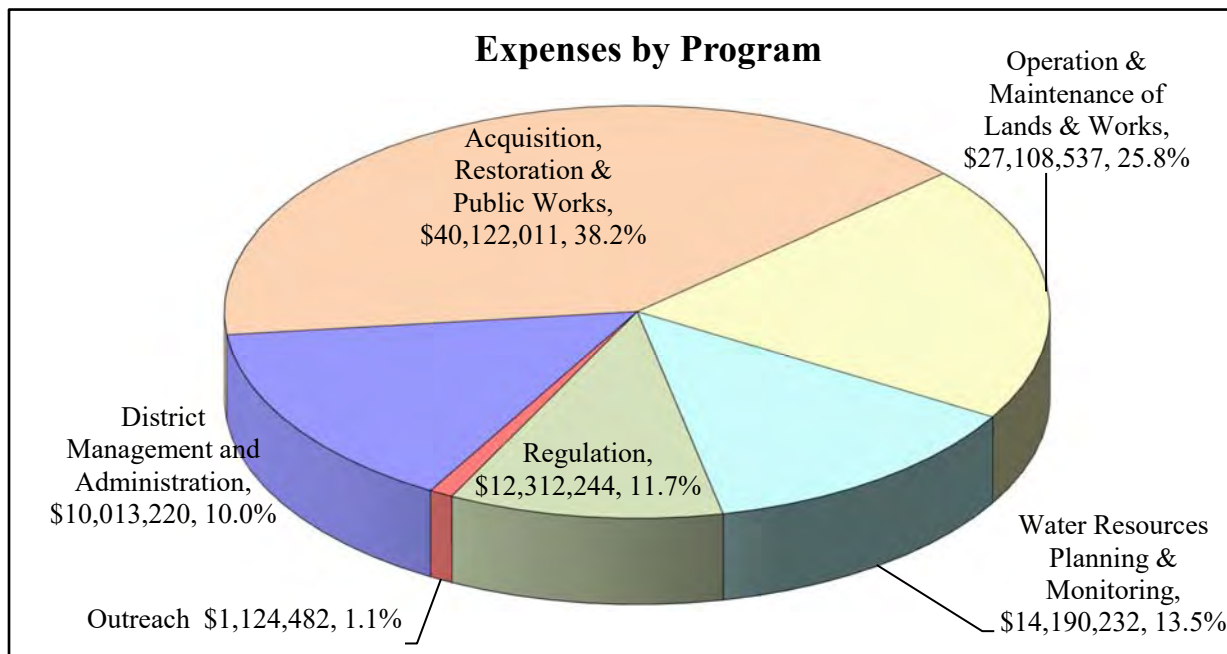
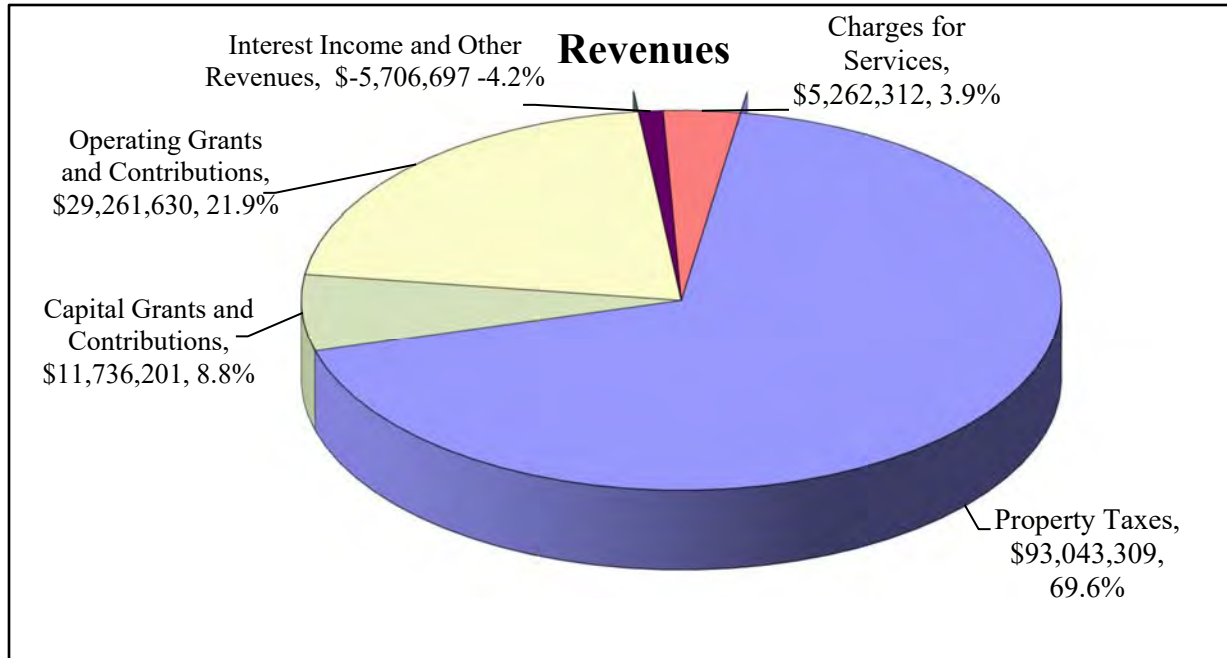
| | 2022 | 2021 |
|--|--------------------------------|--------------------------------|
| Revenues | | |
| Program revenues: Charges for services | \$ 5,262,312 | \$ 3,898,371 |
| Operating grants and contributions | 29,261,630 | 18,185,275 |
| Capital grants and contributions | 11,736,201 | 6,271,992 |
| General revenues: | | |
| Ad valorem (property taxes) | 93,043,309 | 90,907,795 |
| Unrestricted investment earnings | (5,706,697) | 140,030 |
| Other revenue | 122,442 | 913,672 |
| Total revenues | <u>133,719,197</u> | <u>120,317,135</u> |
| Expenses | | |
| Water resources planning and monitoring | 14,190,232 | 13,221,335 |
| Acquisition, restoration and public works | 40,122,011 | 35,031,146 |
| Operation and maintenance of lands and works | 27,108,537 | 27,439,764 |
| Regulation | 12,312,244 | 11,751,217 |
| Outreach | 1,124,482 | 965,048 |
| District management and administration | 10,013,220 | 9,847,179 |
| Debt service – lease | 73,545 | |
| Total expenses | <u>104,944,271</u> | <u>98,255,689</u> |
| Increase(decrease) in net position | 28,774,926 | 22,061,446 |
| Net position , beginning of the year | 1,328,007,462 | 1,301,125,401 |
| Prior period adjustment (Note 1 (u)) | | 4,820,615 |
| Net position , end of the year | <u><u>\$ 1,356,782,388</u></u> | <u><u>\$ 1,328,007,462</u></u> |

Total revenues increased by 11.1 percent, or \$13.4 million, from the previous year. The increase is primarily attributable to the 60.9 percent, or \$11.1 million, increase in operating grants and contributions and the 87.1 percent, or \$5.5 million, increase in capital grants and contributions resulting from an increase in state funded cooperative funding projects and from \$5.3 million in proceeds from the sale of land purchased with Florida Forever funds. The state funded cooperative funding projects included a \$10.1 million increase over the prior year for Indian River Lagoon water quality improvement projects. The increase is also due to a \$2.1 million increase in ad valorem property taxes and \$1.4 million in charges for services pertaining to lease and timber revenue offset by a \$5.6 million decrease in unrestricted investment earnings.

Total expenses increased 6.8 percent, or \$6.7 million, compared to the previous year. The 14.5 percent, or \$5.1 million, increase in acquisition, restoration and public works is primarily the result of the increase of \$2.6 million for the South Florida Water Management District Indian River Lagoon Cost-Share, \$1.6 million increase for the Volusia County Garbody Canal and 10th Street Stormwater Treatment Project and \$1.3 million increase for City of Green Cove Springs Harbor Road Water Reclamation Facility Phase II. 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 \$140.9 million original budget

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

in FY 2021–2022 and \$136.9 million budgeted in FY 2022–2023. Contractual Services increased \$1.3 million, primarily due to projects, including a bathymetry update in the Indian River Lagoon, First Coast Expressway Mitigation Area Restoration and Lake Apopka submersed aquatic vegetation restoration.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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, 2022, total fund balance was \$136.7 million, of which \$0.8 million was represented by inventory on hand and other non-spendable assets; \$129.6 million was committed by action of the Governing Board for identified future capital needs; and \$6.3 million was assigned by executive management for specific purposes.

The fund balance of all of the District's funds increased by \$10.7 million. Key factors explaining the changes in the General Fund and individual major funds include:

- General Fund balance increased by \$11.8 million primarily due to an increase of \$2.1 million in ad valorem (property tax) collections, a reduction of \$4.8 million in transfers out to Capital Projects and a \$2.5 million decrease in operating expenditures mainly from a decrease in cooperative funding payments to the District's cost-share funding partners.
- The Special Revenue Fund balance increased \$2.6 million primarily as a result of the District receiving a total of \$5.3 million for the sale of lands, including the Palmer, Platt, Strother, O'Neal, and Strawn Properties and expending \$2.2 million for land purchases for the Schroeder and Virginia Hall Properties. A total of \$1.1 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 decreased by \$3.7 million due to spending down the fund balance for the construction of the District's new \$7.6 million Apopka Service Center building.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's General Fund spent a total of \$40.1 million less than budgeted expenditures in all spending categories in FY 2021–2022 primarily due to spending decreases in long-term cooperative funding construction projects. The largest budget variance of \$41.7 million was in the acquisition, restoration and public works category, second largest of \$3.3 million was in the water resources planning and monitoring and third largest of \$1.5 million was in the regulation category.

The \$41.7 million positive budget variance in the acquisition, restoration and public works category is primarily the result of unspent grants and aids of \$40.2 million to local governments (cost-share and cooperative funding) and unspent operating capital outlay of \$1.0 million. The

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

unspent budgets of the management and administration and regulation categories are primarily from decreases due to strategic cuts in operating and administrative costs.

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 2021–2022, there was no change in the total adopted budget including carryover encumbrances (\$296.7 million) as compared to the final revised budget.

Total Governmental fund revenues increased \$6.6 million and total expenditures increased \$12.1 million. State grant revenue increased \$9.7 million primarily due to increased expenditures on grant funding for cooperative funding projects of over \$6.9 million and for land acquisition of \$2.9 million and fixed capital outlay of \$1.9 million. General Fund total revenues decreased \$4.3 million primarily from a decrease of \$5.6 million in investment earnings due to the interest rate increases that drastically increased the District's unrealized losses on long-term investments offset by a \$2.1 million increase in ad valorem revenues associated with new growth from construction offset by an increase of \$0.3 million in licenses and permits revenues from increased activity in the District's regulatory program for all permits.

The \$12.1 increase in total expenditures can be attributed to an increase of \$8.3 million in acquisition, restoration and public works for cooperative funding/cost-share (grants and aids) and construction of the Apopka Service Center. Operation and maintenance of lands and works increased \$4.1 million primarily due to work on the S-96 Rehabilitation Structure and the addition of a lease right-to-use asset for the Jacksonville Service Center building. The historical trend of positive General Fund budget variances continued for FY 2021–2022, with the current year's 61.5 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, 2022, amounted to \$1.2 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 2021–2022 valued at \$41.4 million with additions to buildings \$7.9 million, construction in progress of \$7.9 million, easements of \$7.8 million and land of \$7.3 million.

The District's capital asset increase in infrastructure is mainly from construction expenditures on the following projects: Apopka Service Center of \$4.1 million, S-96 Rehabilitation of \$2.8 million, Crane Creek M-1 Canal Flow Restoration of \$1.1 million, Black Creek Water Resource Development Project of \$0.9 million, Lake Apopka Lake Level Canal Interconnection of \$0.8 million, Moss Bluff Drum and Cable of \$0.6 million, Lake Apopka Unit 2 Pump Station Rehabilitation of \$0.3 million and Lake Washington Alternative Water Supply Infrastructure of \$0.3 million. The District received \$7.8 million of donated conservation easements through the permitting process. The District purchased the following properties: River Lakes Conservation

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Area property of \$0.6 million, Three Forks Conservation Area property of \$.01 million, Palm Bluff Conservation Area property of \$1.0 million, and J.P. Hall Bayard Point Conservation Area property of \$1.4 million. The District has recorded a lease right-to-use asset for the Jacksonville Service Center office space through 2037 for \$2.0 million. Additional information on the District's capital assets can be found in note 4 on pages 42–43 of this report.

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; \$35.6 million in net pension liabilities, \$4.1 million in compensated absences for vested leave balances earned by employees, \$3.7 million for other post-employment benefits, and \$2.0 million for lease right-to-use liability. 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 4.3 percent from 0.2287 mills in FY 2020–2021 to 0.2189 mills in FY 2021–2022. The FY 2022–2023 millage rate decreased 9.8 percent to 0.1974 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 Accounting Director, Office of Financial Services, St. Johns River Water Management District, 4049 Reid Street, Palatka, FL 32177.



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Basic Financial Statements

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

| | Governmental Activities |
|--|------------------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 57,651 |
| Cash in escrow and with fiscal agents | 9,662,302 |
| Investments | 165,582,928 |
| Interest, lease and other receivables | 2,612,998 |
| Inventories | 796,505 |
| Intergovernmental receivables | 15,486,879 |
| Prepaid items | 44,438 |
| Non-depreciable capital assets: | |
| Land | 838,691,403 |
| Easements | 231,773,992 |
| Construction in progress | 4,916,521 |
| Depreciable capital assets: | |
| Buildings | 40,857,546 |
| Machinery and equipment | 28,039,025 |
| Infrastructure | 237,026,506 |
| Software/models/right-to-use assets | 6,453,582 |
| Accumulated depreciation | (151,097,544) |
| Total assets | 1,430,904,732 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred amounts related to pensions/ OPEB | 8,809,986 |
| LIABILITIES | |
| Accounts payable and other current liabilities | 17,963,381 |
| Unearned revenue | 11,977,611 |
| Long-term liabilities: | |
| Due within one year | 456,415 |
| Due in more than one year | 45,059,963 |
| Total liabilities | 75,457,370 |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred amounts related to pensions/ OPEB/ leases | 7,474,960 |
| NET POSITION | |
| Net investment in capital assets | 1,236,661,031 |
| Restricted for: | |
| Water protection and sustainability/alternative water supply | 2,427,055 |
| Land management/acquisition | 14,493,517 |
| Unrestricted | 103,200,785 |
| Total net position | \$ 1,356,782,388 |

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, 2022

| Function / Programs | Expenses | Program Revenues | |
|--|----------------|----------------------|------------------------------------|
| | | Charges for Services | Operating Grants and Contributions |
| Governmental activities | | | |
| Water resources planning and monitoring | \$ 14,190,232 | \$ - | \$ 637,035 |
| Acquisition, restoration, and public works | 40,122,011 | - | 26,041,086 |
| Operation and maintenance of lands and works | 27,108,537 | 2,494,850 | 2,349,010 |
| Regulation | 12,312,244 | 2,767,462 | 2,290 |
| Outreach | 1,124,482 | - | 181 |
| District management and administration | 10,013,220 | - | 232,028 |
| Debt service - lease financing - interest | 73,545 | - | - |
| Total governmental activities | \$ 104,944,271 | \$ 5,262,312 | \$ 29,261,630 |

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> |
| \$ - | \$ (13,553,197) |
| 10,566,725 | (3,514,200) |
| 1,169,476 | (21,095,201) |
| - | (9,542,492) |
| - | (1,124,301) |
| - | (9,781,192) |
| - | (73,545) |
| <u>\$ 11,736,201</u> | <u>(58,684,128)</u> |

| |
|-------------------------|
| 93,043,309 |
| 122,442 |
| <u>(5,706,697)</u> |
| <u>87,459,054</u> |
| 28,774,926 |
| <u>1,328,007,462</u> |
| <u>\$ 1,356,782,388</u> |

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
BALANCE SHEET- GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

| | <u>General Fund</u> | <u>Special Revenue</u> | <u>Capital Projects</u> | <u>Total Governmental Funds</u> |
|--|-----------------------|----------------------------|-----------------------------|---|
| Assets | | | | |
| Cash and cash equivalents | \$ 57,651 | \$ - | \$ - | \$ 57,651 |
| Investments | 125,008,774 | 38,266,991 | 2,307,163 | 165,582,928 |
| Cash held in escrow | - | 9,662,302 | - | 9,662,302 |
| Accounts and other receivables | 861,317 | 1,751,681 | - | 2,612,998 |
| Due from other funds | 15,286,819 | - | - | 15,286,819 |
| Inventories | 796,505 | - | - | 796,505 |
| Intergovernmental receivables | 200,060 | 15,286,819 | - | 15,486,879 |
| Prepaid items | 44,438 | - | - | 44,438 |
| Total assets | <u>142,255,564</u> | <u>64,967,793</u> | <u>2,307,163</u> | <u>209,530,520</u> |
| Liabilities and fund balances | | | | |
| Liabilities | | | | |
| Accounts payable | 5,374,695 | 10,956,945 | 1,631,741 | 17,963,381 |
| Due to other funds | - | 15,286,819 | - | 15,286,819 |
| Unearned revenue | - | 11,977,611 | - | 11,977,611 |
| Total liabilities | <u>5,374,695</u> | <u>38,221,375</u> | <u>1,631,741</u> | <u>45,227,811</u> |
| Deferred inflows of resources | | | | |
| Unavailable revenue - taxes/ leases | <u>166,047</u> | <u>1,671,315</u> | <u>-</u> | <u>1,837,362</u> |
| Fund balances | | | | |
| Nonspendable | 840,943 | - | - | 840,943 |
| Restricted | - | 16,920,572 | - | 16,920,572 |
| Committed | 129,616,269 | 8,150,418 | - | 137,766,687 |
| Assigned | 6,257,610 | 4,113 | 675,422 | 6,937,145 |
| Unassigned | - | - | - | - |
| Total fund balances | <u>136,714,822</u> | <u>25,075,103</u> | <u>675,422</u> | <u>162,465,347</u> |
| Total liabilities and fund balances | <u>\$ 142,255,564</u> | <u>\$ 64,967,793</u> | <u>\$ 2,307,163</u> | <u>\$ 209,530,520</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, 2022

Total fund balances – governmental funds \$ 162,465,347

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 | 1,387,758,575 | |
| Accumulated depreciation | <u>(151,097,544)</u> | |
| | | 1,236,661,031 |

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.

166,047

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 | 8,344,772 | |
| Deferred outflow amount on OPEB liabilities | 465,214 | |
| Deferred inflow amount on pension liabilities | (4,887,475) | |
| Deferred inflow amount on OPEB liabilities | <u>(916,170)</u> | |
| | | 3,006,341 |

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

| | | |
|------------------------------|--------------------|---------------------|
| Net pension liability | (35,592,831) | |
| Compensated absences | (4,105,913) | |
| Total OPEB liability | (3,751,328) | |
| Lease right-to-use liability | <u>(2,066,306)</u> | |
| | | <u>(45,516,378)</u> |

Net position of governmental activities \$ 1,356,782,388

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, 2022

| | General Fund | Special Revenue | Capital Projects | Total Governmental Funds |
|---|---------------------|------------------------|-------------------------|---------------------------------|
| Revenues | | | | |
| Ad valorem (property taxes) | \$ 93,071,990 | \$ - | \$ - | \$ 93,071,990 |
| State | - | 32,552,018 | - | 32,552,018 |
| Federal | - | 84,637 | - | 84,637 |
| Investment earnings | (5,890,582) | 183,885 | - | (5,706,697) |
| Local mitigation | - | 40,920 | - | 40,920 |
| Licenses and permits | 2,724,712 | - | - | 2,724,712 |
| Cities and counties | - | 44,712 | - | 44,712 |
| Lease and timber sales | - | 2,494,850 | - | 2,494,850 |
| Fines and penalties | 42,750 | - | - | 42,750 |
| Other | 122,442 | 192,653 | - | 315,095 |
| Total revenues | 90,071,312 | 35,593,675 | - | 125,664,987 |
| Expenditures | | | | |
| Current: | | | | |
| Water resources planning and monitoring | 14,205,506 | 657,263 | - | 14,862,769 |
| Acquisition, restoration, and public works | 21,860,848 | 32,074,834 | 4,702,308 | 58,637,990 |
| Operation and maintenance of lands and works (OMLW) | 16,498,215 | 5,294,100 | 4,527,632 | 26,319,947 |
| Regulation | 12,539,854 | 13,774 | - | 12,553,628 |
| Outreach | 1,141,605 | 1,088 | - | 1,142,693 |
| District management and administration | 9,095,026 | 11,756 | - | 9,106,782 |
| Debt Service: | | | | |
| Principal - OMLW | (22,214) | | | (22,214) |
| Interest - OMLW | 73,545 | | | 73,545 |
| Total expenditures | 75,392,385 | 38,052,815 | 9,229,940 | 122,675,140 |
| Excess of revenues over (under) expenditures | 14,678,927 | (2,459,140) | (9,229,940) | 2,989,847 |
| Other financing sources (uses): | | | | |
| Transfers in | 217,031 | 8,000 | 5,499,663 | 5,724,694 |
| Transfers out | (5,507,663) | (217,031) | - | (5,724,694) |
| Sale of capital assets | 243,954 | 5,293,753 | - | 5,537,707 |
| Insurance/ loss recovery | 129,908 | - | - | 129,908 |
| Lease financing | 2,044,092 | - | - | 2,044,092 |
| Total other financing sources (uses) | (2,872,678) | 5,084,722 | 5,499,663 | 7,711,707 |
| Net change in fund balances | 11,806,249 | 2,625,582 | (3,730,277) | 10,701,554 |
| Fund balances, beginning of year | 124,908,573 | 22,449,521 | 4,405,699 | 151,763,793 |
| Fund balances, end of year | \$ 136,714,822 | \$ 25,075,103 | \$ 675,422 | \$ 162,465,347 |

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, 2022**

Net change in fund balances – total governmental activities \$ 10,701,554

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 expense. Also, capital assets are contributed to the District, requiring recognition of income not reported in the funds.

| | | |
|--|------------------|------------|
| Capital assets acquired with financial resources | 22,470,470 | |
| Current year depreciation | (12,023,376) | |
| Contributions of capital assets received | <u>7,952,983</u> | |
| | | 18,400,077 |

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. 882,789

Delinquent taxes are not available to pay for current period expenditures and, therefore, are not reported as deferred inflows of resources in the funds. (28,681)

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 | (19,232,645) | |
| Change in deferred outflows related to pensions | 1,176,791 | |
| Change in deferred inflows related to pensions | 18,868,834 | |
| Change in total OPEB liability | 676,934 | |
| Change in deferred outflows related to OPEB | (46,800) | |
| Change in deferred inflows related to OPEB | <u>(446,469)</u> | |
| | | 996,645 |

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 right-to-use | | (2,066,306) |
| Accrued compensated absences | | <u>(111,152)</u> |

Change in net position of governmental activities \$ 28,774,926

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



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Notes to the Financial Statements

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(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, 2022, will be incorporated in the state's June 30, 2023, 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, 2022

(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, 2022

(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, 2022

(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, 2022

(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 17.

- (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, 2022

(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 |
| Infrastructure and infrastructure improvements | \$100,000 |
| Machinery and equipment | \$5,000 |
| Software | \$5,000 |
| 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, 2022

(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 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, 2022

(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, 2022

(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) 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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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.

- (p) **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.
- (q) **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.
- (r) **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 16.
- (s) **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 2021–2022 fiscal year was 0.2189 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 |

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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 \$166,047 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.

- (t) **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 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:

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(3) Cash and Investments (Continued):

- (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 AA+ 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, 2021, through September 30, 2022.

As of September 30, 2022, the District had the following investments reported at fair-values with S&P ratings, maturity dates and the percentage of each security classification to the total portfolio:

| | S & P Rating | Maturity Date | Fair Value | % of Portfolio |
|---|-----------------------------|--------------------------|-------------------|---------------------------|
| Federal Instrumentalities | | | | |
| Federal Farm Credit Banks Funding Corp. | AA+ | 06/08/2023 | 1,071,593 | |
| Federal National Mortgage Association | AA+ | 09/12/2023 | 985,897 | |
| Federal Home Loan Mortgage Corp | AA+ | 11/06/2023 | 3,825,554 | |
| Federal Farm Credit Banks Funding Corp. | AA+ | 12/20/2023 | 1,387,857 | |
| Federal National Mortgage Association | AA+ | 02/05/2024 | 1,463,912 | |
| Federal Farm Credit Banks Funding Corp. | AA+ | 03/04/2024 | 3,359,876 | |
| Federal Farm Credit Banks Funding Corp. | AA+ | 07/24/2024 | 2,446,499 | |
| Federal Home Loan Banks | AA+ | 09/13/2024 | 1,458,863 | |
| Federal National Mortgage Association | AA+ | 04/22/2025 | 2,278,515 | |
| Federal National Mortgage Association | AA+ | 06/17/2025 | 2,711,829 | |
| Federal National Mortgage Association | AA+ | 11/07/2025 | 1,376,116 | |
| Total Federal Instrumentalities | | | 22,366,511 | 13.50% |

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

U.S. Government Securities

| | | | | |
|---|----|------------|-------------------|---------------|
| U.S. Treasury Notes | NA | 12/31/2023 | 788,712 | |
| U.S. Treasury Notes | NA | 12/31/2023 | 1,532,000 | |
| U.S. Treasury Notes | NA | 02/29/2024 | 2,385,687 | |
| U.S. Treasury Notes | NA | 09/30/2024 | 1,564,664 | |
| U.S. Treasury Notes | NA | 11/15/2024 | 1,367,387 | |
| U.S. Treasury Notes | NA | 11/30/2024 | 943,711 | |
| U.S. Treasury Notes | NA | 12/31/2024 | 2,417,221 | |
| U.S. Treasury Notes | NA | 02/28/2025 | 1,950,785 | |
| U.S. Treasury Notes | NA | 03/31/2025 | 3,230,250 | |
| U.S. Treasury Notes | NA | 07/31/2025 | 1,108,178 | |
| U.S. Treasury Notes | NA | 09/30/2025 | 3,502,136 | |
| U.S. Treasury Notes | NA | 10/31/2025 | 1,018,603 | |
| U.S. Treasury Notes | NA | 11/30/2025 | 2,239,064 | |
| U.S. Treasury Notes | NA | 12/31/2025 | 937,479 | |
| U.S. Treasury Notes | NA | 02/28/2026 | 1,548,856 | |
| U.S. Treasury Notes | NA | 03/31/2026 | 2,864,077 | |
| U.S. Treasury Notes | NA | 04/30/2026 | 2,214,745 | |
| U.S. Treasury Notes | NA | 05/31/2026 | 1,148,417 | |
| U.S. Treasury Notes | NA | 07/31/2026 | 2,393,018 | |
| U.S. Treasury Notes | NA | 09/30/2026 | 3,652,486 | |
| U.S. Treasury Notes | NA | 12/31/2026 | 1,317,631 | |
| U.S. Treasury Notes | NA | 02/28/2027 | 2,765,525 | |
| U.S. Treasury Notes | NA | 03/31/2027 | 443,995 | |
| U.S. Treasury Notes | NA | 05/31/2027 | 1,206,947 | |
| U.S. Treasury Notes | NA | 06/30/2027 | 458,060 | |
| U.S. Treasury Notes | NA | 08/15/2027 | 3,044,942 | |
| Total U.S. Government Securities | | | 48,044,576 | 29.01% |

Corporate Notes

| | | | | |
|--------------------------------------|-----|------------|-------------------|--------------|
| Apple Inc. Notes | AA+ | 02/23/2023 | 497,781 | |
| Exxon Mobil Corp. Notes | AA- | 03/01/2023 | 1,492,869 | |
| 3M Company | A+ | 03/15/2023 | 495,045 | |
| Apple Inc. Notes | AA+ | 05/11/2023 | 563,350 | |
| Caterpillar Financial Services Corp | A | 01/10/2024 | 881,273 | |
| Amazon.com Inc | AA | 05/12/2024 | 1,218,945 | |
| Paccar Financial Corp. | A+ | 06/13/2024 | 1,151,516 | |
| Walmart Inc. | AA | 07/08/2024 | 1,457,613 | |
| Paccar Financial Corp. | A+ | 08/09/2024 | 774,091 | |
| Caterpillar Financial Services Corp. | A | 09/13/2024 | 1,435,330 | |
| Toyota Motor Credit Corp. | A+ | 09/13/2024 | 2,224,953 | |
| Amazon.com Inc. | AA | 04/13/2025 | 2,361,010 | |
| Home Depot Inc. | A | 04/15/2025 | 491,312 | |
| Colgate-Palmolive Co. | AA- | 08/15/2025 | 367,098 | |
| Total Corporate Notes | | | 15,412,186 | 9.31% |

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Municipal Bonds

| | | | | |
|-------------------------------------|-----|------------|------------------|-------|
| Arizona St. Transn Brd Hwy Rev | AA+ | 07/01/2024 | 1,150,380 | |
| New York NY | AA | 05/01/2027 | 992,224 | |
| Oklahoma City Water Utilities Trust | AAA | 07/01/2027 | 880,156 | |
| District Columbia Income Tax Rev | AAA | 07/01/2027 | 894,271 | |
| Total Municipal Bonds | | | <u>3,917,031</u> | 2.37% |

Florida State Board of Administration Pool

| | | | | |
|---------------|------|--|------------|--------|
| Florida PRIME | AAAm | | 75,565,966 | 45.64% |
|---------------|------|--|------------|--------|

Fixed Income Money Market Fund

| | | | | |
|----------------------------------|----|--|----------------------|---------|
| Federated Government Obligations | NR | | <u>276,658</u> | 0.17% |
| TOTAL INVESTMENTS | | | <u>\$165,582,928</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, 2022, 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, 2022, was 21 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, 2022, is 72 days. A summary of the maximum allowed duration of each investment type within the District's investment policy follows:

| <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 |

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

As of September 30, 2022, the District had the following investments and maturities:

| | Fair Value | Investment Maturity (in years) | | |
|---------------------------|----------------------|---------------------------------------|----------------------|---------------------|
| | | Less than 1 year | 1–3 years | 3–5 years |
| Federal Instrumentalities | \$ 22,366,511 | \$ 2,057,490 | \$ 20,309,021 | \$ - |
| U.S. Treasury Securities | 48,044,576 | | 38,807,476 | 9,237,100 |
| Corporate Notes | 15,412,186 | 3,049,045 | 12,363,141 | - |
| Municipal Bonds | 3,917,031 | | 1,150,380 | 2,766,651 |
| Florida PRIME | 75,565,966 | 75,565,966 | - | - |
| Money Market Fund | 276,658 | 276,658 | - | - |
| TOTAL INVESTMENTS | \$165,582,928 | \$80,949,159 | \$ 72,630,018 | \$12,003,751 |

(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, 2021, through September 30, 2022.

(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.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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:

| <u>Compliance Guideline</u> | <u>Sector Guideline Exposures</u> | | | |
|-----------------------------|---------------------------------------|-----------------------------|--------------------|---------------|
| | <u>Exposure to specific Guideline</u> | <u>% of Available Funds</u> | | |
| | | <u>Year end Exposure %</u> | <u>Maximum</u> | |
| | | | <u>During Year</u> | <u>Policy</u> |
| Federal Instrumentalities | \$ 22,366,511 | 12.76% | 12.92% | 80%* |
| U.S. Government Securities | 48,044,576 | 32.95% | 31.01% | 100% |
| Corporate Notes | 15,412,186 | 8.79% | 7.30% | 25%** |
| Municipal Bonds | 3,917,031 | 2.23% | 1.16% | 25% |
| Florida PRIME | 75,565,966 | 43.11% | 47.51% | 50% |
| Money Market Funds | 276,658 | 0.16% | 0.10% | 50% |
| Subtotal Investments | 165,582,928 | <u>100.00%</u> | | |
| Cash Checking Accounts | 57,651 | | | |
| Cash Held in Escrow*** | <u>9,662,302</u> | | | |
| Total Cash and Investments | <u>\$175,302,881</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 7 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 \$276,658; Level 2 inputs are significant other observable inputs, which the District categorizes its investments in Federal Instrumentalities of \$22,366,511, U.S. Treasury Securities of \$48,044,576, Corporate Notes of \$15,412,186, Municipal Bonds of \$3,917,031; Level 3 inputs are significant unobservable inputs, which the District has none. The District's fair value measurements as of September 30, 2022, for Level 2 inputs, are valued using a matrix pricing technique. 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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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, 2021, 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, 2022, was as follows:

| | Balance at Oct. 1, 2021 | Additions | Retirements | Balance at Sept. 30, 2022 |
|---|------------------------------------|------------------|--------------------|--------------------------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 833,259,637 | \$ 7,352,445 | \$ (1,920,679) | \$ 838,691,403 |
| Easements | 223,406,257 | 8,376,457 | (8,722) | 231,773,992 |
| Construction in progress | 5,220,402 | 7,893,782 | (8,197,663) | 4,916,521 |
| Total capital assets, not being depreciated | 1,061,886,296 | 23,622,684 | (10,127,064) | 1,075,381,916 |
| Capital assets, being depreciated: | | | | |
| Buildings | 32,896,699 | 7,960,847 | - | 40,857,546 |
| Infrastructure | 230,625,445 | 6,401,573 | (512) | 237,026,506 |
| Machinery and equipment | 27,197,156 | 1,962,709 | (1,120,840) | 28,039,025 |
| Software, Models and Right-To-Use* | 4,948,154 | 2,044,092 | (538,664) | 6,453,582 |
| Total capital assets, being depreciated | 295,667,454 | 18,369,221 | (1,660,016) | 312,376,659 |
| Less accumulated depreciation for: | | | | |
| Buildings | (18,551,478) | (1,011,941) | - | (19,563,419) |
| Infrastructure | (92,170,305) | (9,558,997) | - | (101,729,302) |
| Machinery and equipment | (24,740,957) | (1,355,100) | 1,101,417 | (24,994,640) |
| Other depreciable assets* | (4,712,845) | (97,338) | - | (4,810,183) |
| Total accumulated depreciation | (140,175,585) | (12,023,376) | 1,101,417 | (151,097,544) |
| Capital assets being depreciated, net | 155,491,869 | 6,345,845 | (558,599) | 161,279,115 |
| Governmental activities capital assets, net | \$1,217,378,165 | \$ 29,968,529 | \$ (10,685,663) | \$1,236,661,031 |

*Includes lease right-to-use asset per implementation of GASB 87.

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

| | |
|--|----------------------|
| Operation and maintenance of lands and works | \$ 11,011,435 |
| District management and administration | 1,011,941 |
| Total depreciation expense | <u>\$ 12,023,376</u> |

(b) Land Acquisitions and Sales — In fiscal year 2021–2022, the District expended \$2,197,240 from land acquisition fund balance on conservation land purchases including, the Schroeder property of \$1,092,397, the Virginia Hall property of \$532,932, the John

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

Preston Hall property of \$216,232, the Gabriella Davis property of \$3,043, and the Russell conservation easement of \$352,636.

The District exchanged its 183 acre Palmer property and 112 acre Platt property for the 1,198 acre Krause parcel plus \$5,041,815. The District sold 33 acres of its Strother property for \$136,650, 1 acre of its O'Neal property for \$14,200, and 18 acres of its Strawn property for \$101,088 to the Florida Department of Transportation.

The District also expended \$22,679 to enhance conservation land including our Orange Creek Restoration Area property.

The District has an unspent fund balance of \$6,470,434 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 software, models and right-to-use class at a value of \$2,044,092, less accumulated depreciation of \$97,338 (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, 2022, were as follows:

| Minimum Lease Payments | | | |
|-------------------------------|---------------------|-------------------|---------------------|
| Fiscal Year Ending | | | |
| September 30 | Principal | Interest | Total |
| 2023 | \$ 54,339 | \$ 96,509 | \$ 150,848 |
| 2024 | 60,810 | 93,809 | 154,619 |
| 2025 | 91,124 | 90,160 | 181,284 |
| 2026 | 100,150 | 85,666 | 185,816 |
| 2027 | 109,728 | 80,734 | 190,462 |
| 2028-2032 | 709,711 | 312,479 | 1,022,190 |
| 2033-2037 | 940,444 | 117,174 | 1,057,618 |
| Total | \$ 2,066,306 | \$ 876,531 | \$ 2,942,837 |

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(5) Long-Term Leases (Concluded):

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 \$130,652 in lease revenue and \$87,153 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 2021–2022 are \$1,671,315.

| | Lease Term | | Present Value of Future Lease Payments | 2021-22 Payments | | | |
|---|-------------------|------------|---|-------------------------|-------------------|------------------|-------------------|
| | Start | End | 9/30/2022 | Cash | Receivable | Interest | Revenue |
| Clear Channel - Buck Lake (91) | 5/31/1996 | 8/31/2029 | \$ 35,850 | \$ 7,000 | \$ 5,069 | \$ 1,931 | \$ 5,132 |
| American Tower Asset Sub, LLC - Tiger Bay (361) | 6/1/1982 | 12/17/2057 | 1,139,117 | 106,922 | 50,759 | 56,162 | 72,572 |
| GTP Towers VII, LLC/American Tower Corporation - Clark Bay (375) | 7/30/2002 | 2/28/2065 | 503,205 | 39,168 | 14,722 | 24,446 | 31,377 |
| Outfront Media, LLC- Canaveral Marshes Great Outdoors (690) | 7/1/2010 | 6/30/2030 | 32,273 | 4,500 | 2,843 | 1,657 | 3,802 |
| Outfront Media, LLC - Gourd Island- 1170 (719) | 9/1/2008 | 8/31/2024 | 7,639 | 8,000 | 7,295 | 705 | 5,470 |
| Outfront Media, LLC - Gourd Island- 1172 (720) | 9/1/2008 | 8/31/2024 | 7,639 | 8,000 | 7,295 | 705 | 5,470 |
| Clear Channel - Gourd Island (721) | 1/1/2005 | 12/31/2024 | 13,068 | 7,000 | 6,095 | 905 | 5,878 |
| IFAS (2180) | 5/1/2021 | 4/30/2036 | 12,890 | 1,349 | 707 | 642 | 951 |
| | | | <u>\$ 1,751,681</u> | <u>\$181,939</u> | <u>\$ 94,785</u> | <u>\$ 87,153</u> | <u>\$ 130,652</u> |

(6) Commitments:

Encumbrances of District Sources — The District has restricted, committed, and assigned fund balances for obligations that were executed in fiscal year 2021–2022, but will be expended in the next fiscal year. The \$132,543,123 in encumbrances below (\$48,335,690 of District sources and \$84,207,433 of future resources) represent purchase orders and contracts that were expected to be expended in fiscal year 2021–2022, but are now expected to be expended in fiscal year 2022–2023.

These encumbrances will be added to the adopted fiscal year 2022–2023 budget, therefore, increasing the adopted fiscal year 2022–2023 budget of \$163,733,283 by \$132,543,123 to a final

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(6) Commitments (Concluded):

adopted budget of \$296,276,406. 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 | \$ 33,689,738 |
| Special Revenue Fund | 495,932 |
| Capital Projects Fund | <u>14,150,020</u> |
| Total | <u>\$ 48,335,690</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 | \$0 | \$82,137,064 | \$2,070,369 | \$84,207,433 |

Of the total encumbrances of future State resources of \$82,137,064, \$30,246 were from unearned revenues advanced to the District by the Florida Department of Transportation.

(7) 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 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.

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(7) Unearned Revenue (Concluded):

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.

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 | \$ 2,310,659 |
| CCUA | Local – Black Creek Water Resource Development | 3,657,438 |
| GRU | Local – Black Creek Water Resource Development | 1,364,875 |
| JE A | Local – Black Creek Water Resource Development | 3,712,026 |
| St. Johns County | Local – Black Creek Water Resource Development | 927,963 |
| Private | Local – Shiner Harvesting | 4,650 |
| Total | | <u>\$ 11,977,611</u> |

(8) 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 \$15,286,819.

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 \$217,031 transfer from the Special Revenue Fund to the General Fund were for administrative expenditures associated with federal, state of Florida, and local grants. The \$8,000 transfer from the General Fund to the Special Revenue Fund were for administrative expenditures associated with local grants. The \$5,499,663 transfer from the General Fund to the Capital Projects Fund is to fund major capital expenditures with District funding sources.

(9) 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,

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(9) 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 \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, *Florida Statutes*. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of 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 60 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.

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(9) 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

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, 2022. 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. 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 | 9/30/2022 | 9/30/2021 |
| | Measurement Date | <u>9/30/2021</u> | <u>9/30/2020</u> |
| Total OPEB Liability | | \$ 3,751,328 | \$ 4,428,262 |
| Covered employee payroll | | \$30,913,064 | \$30,259,682 |
| Total OPEB liability as a % of covered employee payroll | | 12.1% | 14.6% |

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(9) 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, 2021 | \$ 4,428,262 |
| Changes for the year: | |
| Service Cost | 119,561 |
| Interest on total OPEB liability | 109,197 |
| Effect of plan changes | - |
| Effect of differences between expected and actual experience | (643,419) |
| Effects of assumptions changed or inputs | - |
| Benefits Payments | - |
| Implicit Rate Subsidy | (262,273) |
| Balance of September 30, 2022 | \$ 3,751,328 |

As of September 30, 2022, the District's OPEB expense for the reporting period are as follows:

| OPEB Expense for Reporting Period | 10/1/21 to 9/30/22 |
|--|--------------------|
| Service Cost | \$ 119,561 |
| Interest on total OPEB liability | 109,197 |
| Recognition of Deferred Inflows/Outflows of Resources | |
| -Differences between expected and actual experience | - |
| -Changes to economic/demographic assumptions or inputs | - |
| OPEB Expense | \$ 228,758 |

As of September 30, 2022 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 | \$ 202,941 | \$ 916,170 |
| Changes of assumptions | - | - |
| Employer contributions subsequent to measurement date | 262,273 | - |
| Total | \$ 465,214 | \$ 916,170 |

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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(9) 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> |
|--------------------------------|---------------------|
| 2023 | (108,714) |
| 2024 | (102,904) |
| 2025 | (162,173) |
| 2026 | (179,926) |
| 2027 | (101,019) |
| Thereafter | (58,493) |
| Total | <u>(\$ 713,229)</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, 2022, which is 4.02 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.

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(9) 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 4.02 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 (3.02 percent) or one percentage higher (5.02 percent) than the current rate.

Discount Rate Sensitivity

| | 1% Decrease (3.02%) | Current Discount Rate (4.02%) | 1% Increase (5.02%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB Liability | \$4,234,203 | \$3,751,328 | \$3,358,842 |

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 | \$3,332,957 | \$3,751,328 | \$4,267,608 |

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

Changes in long-term liabilities for the fiscal year ended September 30, 2022, follows:

| Governmental Activities: | Balance October 1, 2021 | Additions | Reductions | Balance September 30, 2022 | Due Within One Year |
|---|-------------------------------|---------------------|---------------------|----------------------------------|---------------------------|
| General long-term obligations: | | | | | |
| Accrued compensated absences | \$ 3,994,761 | \$ 2,050,406 | \$ 1,939,254 | \$ 4,105,913 | \$ 402,076 |
| Pension (FRS) | 5,681,065 | 21,029,299 | - | 26,710,364 | - |
| Health Insurance Subsidy (HIS) | 10,679,121 | | 1,796,654 | 8,882,467 | - |
| Right-to-use lease | - | 2,066,306 | - | 2,066,306 | 54,339 |
| OPEB | <u>4,428,262</u> | <u>-</u> | <u>676,934</u> | <u>3,751,328</u> | <u>-</u> |
| Total governmental activity long-term obligations | <u>\$24,783,209</u> | <u>\$25,146,011</u> | <u>\$ 4,412,842</u> | <u>\$ 45,516,378</u> | <u>\$ 456,415</u> |

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

(11) 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.

The District settled the Grady G. Hudmon and Gail Lynne Hudmon as Trustees of the Hudmon Revocable Living Trust v. St. Johns River Water Management District lawsuit alleging defects in the S-252E culverts that the District maintains contributed to flooding and property loss. The District paid a settlement of \$450,000 on July 22, 2022, to the Hudmons.

(12) 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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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(12) Retirement Plans (Continued):

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 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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(12) Retirement Plans (Continued):

period not to exceed 60 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.

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, 2021, through June 30, 2022, and from July 1, 2022, through September 30, 2022, respectively, were as follows: Regular—10.82 percent and 11.91 percent; Senior Management Service—29.01 percent and 31.57 percent; and DROP participants—18.34 percent and 18.60 percent. These employer contribution rates include a 1.66 percent 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, 2022, was \$3,231,807.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions — At September 30, 2022, the District reported a liability of \$26,710,364 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the District's 2021–22 fiscal year contributions relative to the 2020–21 fiscal year contributions of all participating members. At June 30, 2022, the District's proportionate share was 0.071786547 percent, which was a decrease of 4.6 percent from its share measured as of June 30, 2021.

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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(12) Retirement Plans (Continued):

- 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, 2022, was 5.5 years for FRS and 6.4 years for HIS. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended September 30, 2021, are presented below for the FRS Pension Plan.

| | |
|--|---------------------|
| Service cost | \$ 1,892,058 |
| Interest cost | 10,058,828 |
| Effect of plan changes | 71,273 |
| Effect of economic/demographic gains or losses (differences Between expected and actual experience) | 553,300 |
| Effect of assumptions changes or inputs | 2,170,854 |
| Member contributions | (552,202) |
| Projected investment earnings | (9,681,791) |
| Net difference between projected and actual investment earnings | (777,647) |
| Administrative expenses | <u>16,148</u> |
| Total | 3,750,821 |
| Net amortization of employer-specific amounts due to changes in employer proportion | <u>(672,372)</u> |
| Total employer total pension expense | <u>\$ 3,078,449</u> |

For the fiscal year ended September 30, 2022, the District recognized pension expense of \$3,078,449. 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 | \$ 1,268,588 | \$ - |
| Change of assumptions | 3,289,493 | - |
| Net differences between projected and actual earnings on Pension Plan investments | 1,763,682 | - |
| Changes in proportion and differences between District Pension Plan contributions and proportionate share of contributions | 211,846 | 1,801,858 |
| District Pension Plan contributions subsequent to the measurement date | <u>874,978</u> | <u>-</u> |
| Total | <u>\$ 7,408,587</u> | <u>\$ 1,801,858</u> |

The deferred outflows of resources related to the Pension Plan, totaling \$874,978 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, 2023. Other amounts reported as deferred

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(12) Retirement Plans (Continued):

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> |
|--------------------------------|--------------------|
| 2023 | \$892,385 |
| 2024 | 892,385 |
| 2025 | 892,385 |
| 2026 | 892,385 |
| 2027 | 892,385 |
| Thereafter | <u>269,826</u> |
| Total | <u>\$4,731,751</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 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 3.54 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 2022:

- FRS: The long-term expected rate of return was decreased from 6.80 percent to 6.70 percent.
- HIS: The demographic assumptions for the Special Risk class were updated to reflect plan changes due to HB5007, HB689, and SB838.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(12) Retirement Plans (Continued):

- HIS: The election assumption for vested terminated members was updated from 20 percent to 50 percent to reflect recent experience.
- HIS: The municipal bond rate used to determine total pension liability was increased from 2.16 percent to 3.54 percent.

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 <u>(5.70%)</u> | Current Discount Rate <u>(6.70%)</u> | 1% Increase <u>(7.70%)</u> |
|--|----------------------------------|--|----------------------------------|
| District's proportionate share of net pension liability(asset) | \$46,193,739 | \$26,710,364 | \$10,419,945 |

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, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, *Florida Statutes*. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of 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. and the District's contributions totaled \$536,754. 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.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(12) Retirement Plans (Continued):

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, 2022, the District reported a liability of \$8,882,467 for its proportionate share of the HIS Plan's net pension liability. The net

pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation update as of July 1, 2022.

The District's proportionate share of the net pension liability was based on the District's 2021–2022 fiscal year contributions relative to the 2020-2021 fiscal year contributions of all participating

members. At June 30, 2022, the District's proportionate share was 0.083863343 percent, which was a decrease of 3.7 percent from its proportionate share measured as of June 30, 2021.

The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended September 30, 2022, are presented on the following page for the HIS Plan.

| | |
|--|--------------------|
| Service cost | \$ 243,895 |
| Interest cost | 230,948 |
| Plan changes | 4,374 |
| Effect of economic/demographic gains or losses (differences between expected and actual experience) | 63,933 |
| Effect of assumptions changes or inputs | (80,089) |
| Projected investment earnings | (8,928) |
| Member contributions | (41) |
| Net difference between projected and actual investment earnings | 5,273 |
| Administrative expenses | <u>159</u> |
| Total | 459,524 |
| Net amortization of employer-specific amounts due to changes in employer proportion | <u>(580,940)</u> |
| Total employer total pension expense | <u>(\$121,416)</u> |

For the fiscal year ended September 30, 2022, the District recognized pension expense of (\$121,416). 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, 2022

(12) Retirement Plans (Continued):

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences between expected and actual experience | \$ 269,604 | \$ 39,084 |
| Change of assumptions | 509,149 | 1,374,112 |
| Net differences between projected and actual earnings on HIS Plan investments | 12,860 | - |
| Changes in proportion and differences between District HIS Plan contributions and proportionate share of contributions | - | 1,682,421 |
| District HIS Plan contributions subsequent to the measurement date | <u>144,572</u> | <u>-</u> |
| Total | <u>\$ 936,185</u> | <u>\$ 3,085,617</u> |

The deferred outflows of resources related to the HIS Plan, totaling \$144,572 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> |
|--------------------------------|----------------------|
| 2023 | (\$ 361,001) |
| 2024 | (361,001) |
| 2025 | (361,001) |
| 2026 | (361,001) |
| 2027 | (361,001) |
| Thereafter | <u>(508,999)</u> |
| Total | <u>(\$2,314,004)</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 3.54 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 (2.54 percent) or one percentage point higher (4.54 percent) than the current rate:

| | 1% Decrease <u>(2.54%)</u> | Current Discount Rate <u>(3.54%)</u> | 1% Increase <u>(4.54%)</u> |
|--|----------------------------------|--|----------------------------------|
| District's proportionate share of net pension liability(asset) | \$10,162,272 | \$8,882,467 | \$7,823,456 |

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, 2022

(12) 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 2022 contributions are based on a percentage of gross compensation, by class, as follows: Regular class 11.91 percent and Senior Management Service class 31.57 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, 2020, 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, 2022

(12) Retirement Plans (Concluded):

income. The District's Investment Plan pension contributions totaled \$920,471 for the fiscal year ended September 30, 2022.

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 | \$ 26,710,364 | \$ 3,078,449 | \$ 7,408,587 | \$ 1,801,858 |
| HIS Plan | <u>8,882,467</u> | <u>(121,417)</u> | <u>936,185</u> | <u>3,085,617</u> |
| Total | <u>\$ 35,592,831</u> | <u>\$ 2,957,032</u> | <u>\$ 8,344,772</u> | <u>\$ 4,887,475</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, 2022, 337 employees and former employees had \$6,484,656 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.

(13) 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, 2022

(13) 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.

(14) 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.

(15) 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, 2022, the District estimates the value of the financial assurances provided by the various mitigation banks is \$21,669,381.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(16) 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 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 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

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(16) Fund Balance Disclosure (Continued):

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, 2022

(16) Fund Balance Disclosure (Concluded):

A schedule of District fund balances at September 30, 2022, follows:

| Fund Balances: | General Fund | Special Revenue Fund | Capital Projects Fund | Total All Funds |
|---|-------------------------|-------------------------------------|--------------------------------------|----------------------------|
| <u>Nonspendable:</u> | | | | |
| Inventories and Prepaid Costs | \$ 840,943 | \$ - | \$ - | \$ 840,943 |
| <u>Spendable:</u> | | | | |
| <u>Restricted for:</u> | | | | |
| Lake Apopka Wildlife Drive | - | 6,151 | - | 6,151 |
| Alternative Water Supply | - | 2,427,055 | - | 2,427,055 |
| Mitigation Endowment | - | 14,487,366 | - | 14,487,366 |
| Total Restricted | - | 16,920,572 | - | 16,920,572 |
| <u>Committed for:</u> | | | | |
| Springs Prevention/Recovery Strategy | 4,392,937 | - | - | 4,392,937 |
| Indian River Lagoon Protection | 7,530,000 | - | - | 7,530,000 |
| Land Management/Acquisition | - | 8,150,418 | - | 8,150,418 |
| Taylor Creek Reservoir | 10,000,000 | - | - | 10,000,000 |
| Economic Stabilization Reserve | 12,353,233 | - | - | 12,353,233 |
| Cooperative Projects Funding Program | 39,254,092 | - | - | 39,254,092 |
| Black Creek Water Resource Development | 56,086,007 | - | - | 56,086,007 |
| Total Committed | 129,616,269 | 8,150,418 | - | 137,766,687 |
| <u>Assigned for:</u> | | | | |
| Resiliency | 1,707 | - | - | 1,707 |
| Water Resources | 6,869 | - | - | 6,869 |
| Groundwater Resource Assessment | 10,000 | - | - | 10,000 |
| Human Resource Support Services | 13,054 | - | - | 13,054 |
| Surface Water Assessments | 18,505 | - | - | 18,505 |
| Strategic Communications/ Engagement | 25,000 | - | - | 25,000 |
| Legal Services | 30,124 | - | - | 30,124 |
| Minimum Flows/ Levels | 47,333 | - | - | 47,333 |
| Information Technology Support Services | 107,791 | 4,113 | - | 111,904 |
| Abandoned Artesian Well Plugging | 110,749 | - | - | 110,749 |
| Operations and Maintenance | 34,074 | - | 79,478 | 113,552 |
| Water Supply Planning/ Modeling | 186,058 | - | - | 186,058 |
| Water Well Construction Services | 238,122 | - | - | 238,122 |
| Lake Jesup | - | - | 254,015 | 254,015 |
| Lake Apopka | - | - | 341,929 | 341,929 |
| Minimum Flows and Levels | 428,224 | - | - | 428,224 |
| FTE Recruitment and Retention | 5,000,000 | - | - | 5,000,000 |
| Total Assigned | 6,257,610 | 4,113 | 675,422 | 6,937,145 |
| <u>Unassigned:</u> | - | - | - | - |
| Totals All Funds | \$ 136,714,822 | \$ 25,075,103 | \$ 675,422 | \$162,465,347 |

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(17) 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 <u>Budget</u> | Final <u>Budget</u> | <u>Actual</u> | Variance with <u>Final Budget</u> |
|--------------------------|---------------------------|------------------------|----------------------|--------------------------------------|
| Salaries and benefits | \$49,624,234 | \$49,624,234 | \$44,346,712 | \$ 5,277,522 |
| Expenses | 24,098,773 | 26,976,932 | 21,548,442 | 5,428,490 |
| Grants and aids | 162,352,704 | 136,977,664 | 35,776,356 | 101,201,308 |
| Operating capital outlay | 3,038,937 | 3,811,240 | 2,278,234 | 1,533,006 |
| Fixed capital outlay | <u>57,541,813</u> | <u>79,266,391</u> | <u>18,725,396</u> | <u>60,540,995</u> |
| Total expenditures | <u>\$296,656,461</u> | <u>\$296,656,461</u> | <u>\$122,675,140</u> | <u>\$173,981,321</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*.

(18) Implementation of Accounting Standards:

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*, effective for the District’s fiscal year beginning October 1, 2022. The objectives of Statement No. 99 are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, terminology updates related to Statement 53 and Statement 63, leases, public-private and public-public partnerships, subscription-based information technology arrangements, financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The District is currently evaluating the effect that Statement No. 99 will have on its financial statements.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections — an amendment of GASB Statement No. 62*, effective for the District’s fiscal year beginning October 1, 2022. The objective of Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(18) Implementation of Accounting Standards (Concluded):

transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. The District is currently evaluating the effect that Statement No. 100 will have on its financial statements.

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. 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.

(19) Subsequent Events:

The state of Florida has pursued price fixing claims in an antitrust case against multiple manufacturers of automotive parts which caused higher costs for vehicles. On December 27, 2022, the District received \$19,526.45 pertaining to the District's share of the settlement that was litigated by the state of Florida.



Mexican sunflower

*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, 2022

| | Budgeted | | | Variance with Final Budget Positive (Negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | Actual | |
| REVENUES | | | | |
| Ad valorem property taxes | \$ 92,941,279 | \$ 92,941,279 | \$ 93,071,990 | \$ 130,711 |
| Investment earnings | 1,290,000 | 1,290,000 | (5,890,582) | (7,180,582) |
| Licenses and permits | 2,125,000 | 2,125,000 | 2,724,712 | 599,712 |
| Fines and penalties | - | - | 42,750 | 42,750 |
| Other | 828,910 | 828,910 | 122,442 | (706,468) |
| Total revenues | 97,185,189 | 97,185,189 | 90,071,312 | (7,113,877) |
| EXPENDITURES | | | | |
| Water resources planning and monitoring | | | | |
| Salaries and benefits | 13,569,635 | 13,219,558 | 10,454,496 | 2,765,062 |
| Contracted services | 2,627,839 | 2,705,168 | 2,290,565 | 414,603 |
| Expenses | 1,077,839 | 1,112,298 | 1,011,335 | 100,963 |
| Operating capital outlay | 467,486 | 454,857 | 439,946 | 14,911 |
| Fixed capital outlay | - | 9,164 | 9,164 | - |
| Total water resources planning and monitoring | 17,742,799 | 17,501,045 | 14,205,506 | 3,295,539 |
| Acquisition, restoration and public works | | | | |
| Salaries and benefits | 8,104,357 | 8,279,105 | 8,206,463 | 72,642 |
| Contracted services | 1,338,970 | 2,300,088 | 1,922,259 | 377,829 |
| Expenses | 324,900 | 366,374 | 294,659 | 71,715 |
| Operating capital outlay | 1,023,073 | 1,024,240 | 8,387 | 1,015,853 |
| Fixed capital outlay | 5,004,000 | 920,088 | 914,288 | 5,800 |
| Grants and aids | 64,430,910 | 50,671,466 | 10,514,792 | 40,156,674 |
| Total acquisition, restoration and public works | 80,226,210 | 63,561,361 | 21,860,848 | 41,700,513 |
| Operation and maintenance of lands and works | | | | |
| Salaries and benefits | 7,988,620 | 7,758,575 | 7,408,356 | 350,219 |
| Contracted services | 1,718,087 | 1,844,449 | 1,639,141 | 205,308 |
| Expenses | 3,859,456 | 4,146,096 | 3,673,026 | 473,070 |
| Operating capital outlay | 1,314,713 | 2,111,323 | 1,636,366 | 474,957 |
| Fixed capital outlay | 121,300 | 256,083 | 2,089,995 | (1,833,912) |
| Debt services | - | - | 51,331 | (51,331) |
| Total operation and maintenance of lands and works | 15,002,176 | 16,116,526 | 16,498,215 | (381,689) |

(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, 2022

| | Budgeted | | | Variance with Final Budget Positive (Negative) |
|---|----------------------|----------------------|-----------------------|---|
| | Original | Final | Actual | |
| Regulation | | | | |
| Salaries and benefits | 12,752,436 | 12,860,927 | 11,470,209 | 1,390,718 |
| Contracted services | 421,930 | 700,714 | 634,916 | 65,798 |
| Expenses | 434,730 | 479,622 | 422,508 | 57,114 |
| Operating capital outlay | 33,602 | 26,759 | 12,221 | 14,538 |
| Total regulation | 13,642,698 | 14,068,022 | 12,539,854 | 1,528,168 |
| Outreach | | | | |
| Salaries and benefits | 1,083,913 | 1,386,747 | 1,012,388 | 374,359 |
| Contracted services | 59,793 | 67,057 | 41,943 | 25,114 |
| Expenses | 87,330 | 115,632 | 86,308 | 29,324 |
| Operating capital outlay | 2,649 | 2,116 | 966 | 1,150 |
| Total outreach | 1,233,685 | 1,571,552 | 1,141,605 | 429,947 |
| Management and administration | | | | |
| Salaries and benefits | 5,667,445 | 5,662,862 | 5,496,258 | 166,604 |
| Contracted services | 501,241 | 766,738 | 691,414 | 75,324 |
| Expenses | 3,232,596 | 3,316,474 | 2,897,608 | 418,866 |
| Operating capital outlay | 26,813 | 21,342 | 9,746 | 11,596 |
| Total management and administration | 9,428,095 | 9,767,416 | 9,095,026 | 672,390 |
| Debt Service-Principal & Interest | | | | |
| Principal - OMLW | | | (22,214) | |
| Interest - OMLW | | | 73,545 | |
| Total Debt Services | - | - | 51,331 | - |
| Total expenditures | 137,275,663 | 122,585,922 | 75,392,385 | 47,244,868 |
| Excess of revenues over (under) expenditures | (40,090,474) | (25,400,733) | 14,678,927 | 40,079,660 |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | 217,031 | 217,031 |
| Transfers out | (5,352,000) | (19,293,107) | (5,507,663) | 13,785,444 |
| Sale of capital assets | 125,000 | 125,000 | 243,954 | 118,954 |
| Insurance/ loss recovery | - | - | 129,908 | 129,908 |
| Lease financing | - | - | 2,044,092 | 2,044,092 |
| Total other financing sources (uses) | (5,227,000) | (19,168,107) | (2,872,678) | 14,251,337 |
| Net change in fund balance | (45,317,474) | (44,568,840) | 11,806,249 | 54,330,997 |
| Fund balance, beginning of year | 124,908,573 | 124,908,573 | 124,908,573 | - |
| Fund balance, end of year | \$ 79,591,099 | \$ 80,339,733 | \$ 136,714,822 | \$ 54,330,997 |

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, 2022

| | Budgeted | | | Variance with Final Budget Positive (Negative) |
|---|----------------|----------------|---------------|---|
| | Original | Final | Actual | |
| REVENUES | | | | |
| State | | | | |
| Dept. of Environmental Protection | \$ 135,391,067 | \$ 135,436,770 | \$ 30,845,537 | \$ (104,591,233) |
| Fish & Wildlife Conservation Co. | 390,000 | 390,000 | 105,417 | (284,583) |
| Dept. of Transportation | 2,377,363 | 2,326,006 | 1,601,064 | (724,942) |
| Total State | 138,158,430 | 138,152,776 | 32,552,018 | (105,600,758) |
| Federal | | | | |
| Environmental Protection Agency | 100,247 | 99,820 | 82,037 | (17,783) |
| United States Geological Survey | 25,483 | 25,483 | 2,600 | (22,883) |
| Total Federal | 125,730 | 125,303 | 84,637 | (40,666) |
| Investment earnings | - | - | 183,885 | 183,885 |
| Local mitigation | 22,679 | 22,679 | 40,920 | 18,241 |
| Cities and counties | 1,973,944 | 1,978,656 | 44,712 | (1,933,944) |
| Lease and timber sales | 1,740,000 | 1,740,000 | 2,494,850 | 754,850 |
| Other | | | | |
| Florida Inland Navigation District/ Water management districts | 354,327 | 354,327 | 192,653 | (161,674) |
| Total Other | 354,327 | 354,327 | 192,653 | (161,674) |
| Total revenues | 142,375,110 | 142,373,741 | 35,593,675 | (106,780,066) |
| EXPENDITURES | | | | |
| Water resources planning/monitoring | | | | |
| Salaries and benefits | 231,253 | 230,198 | 139,740 | 90,458 |
| Contracted services | 1,527,419 | 1,544,728 | 431,977 | 1,112,751 |
| Expenses | 85,611 | 120,885 | 85,546 | 35,339 |
| Total water resources planning and monitoring | 1,844,283 | 1,895,811 | 657,263 | 1,238,548 |
| Acquisition, restoration/public works | | | | |
| Salaries and benefits | 226,575 | 226,262 | 158,802 | 67,460 |
| Contracted services | 1,372,006 | 2,070,807 | 1,801,007 | 269,800 |
| Expenses | 6,648 | 7,338 | 3,499 | 3,839 |
| Fixed capital outlay | 42,253,134 | 52,614,812 | 4,849,962 | 47,764,850 |
| Grants and aids | 97,921,794 | 86,306,198 | 25,261,564 | 61,044,634 |
| Total acquisition, restoration and public works | 141,780,157 | 141,225,417 | 32,074,834 | 109,150,583 |
| (Continued) | | | | |

(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, 2022

| | Budgeted | | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|---------------|---------------|---|
| | Original | Final | | |
| Operation and maintenance of lands/works | | | | |
| Contracted services | 3,024,886 | 2,914,931 | 2,174,563 | 740,368 |
| Expenses | 2,358,941 | 2,353,896 | 1,368,219 | 985,677 |
| Operating capital outlay | 170,602 | 170,602 | 170,602 | - |
| Fixed capital outlay | 405,681 | 1,767,437 | 1,580,716 | 186,721 |
| Total operation and maintenance of lands and works | 5,960,110 | 7,206,866 | 5,294,100 | 1,912,766 |
| Regulation | | | | |
| Contracted services | 20,311 | 22,642 | 13,670 | 8,972 |
| Expenses | 230 | 230 | 104 | 126 |
| Total regulation | 20,541 | 22,872 | 13,774 | 9,098 |
| Outreach | | | | |
| Contracted services | 1,601 | 1,780 | 1,079 | 701 |
| Expenses | 18 | 18 | 9 | 9 |
| Total outreach | 1,619 | 1,798 | 1,088 | 710 |
| Management and administration | | | | |
| Contracted services | 16,206 | 18,017 | 10,906 | 7,111 |
| Expenses | 184 | 952 | 850 | 102 |
| Total management and admin. | 16,390 | 18,969 | 11,756 | 7,213 |
| Total expenditures | 149,623,100 | 150,371,733 | 38,052,815 | 112,318,918 |
| Excess of revenues over (under) expenditures | (7,247,990) | (7,997,992) | (2,459,140) | 5,538,852 |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | 8,000 | 8,000 |
| Transfers out | - | - | (217,031) | (217,031) |
| Sale of capital assets | - | - | 5,293,753 | 5,293,753 |
| Total other financing sources (uses) | - | - | 5,084,722 | 5,084,722 |
| Net change in fund balance | (7,247,990) | (7,997,992) | 2,625,582 | 10,623,574 |
| Fund balance, beginning of year | 22,449,521 | 22,449,521 | 22,449,521 | - |
| Fund balance, end of year | \$ 15,201,531 | \$ 14,451,529 | \$ 25,075,103 | \$ 10,623,574 |

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

(Concluded)



Hydrangea

Notes to Budgetary Comparison Schedules

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULES
SEPTEMBER 30, 2022

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
NOTES TO BUDGETARY COMPARISON SCHEDULES
GENERAL FUND
SEPTEMBER 30, 2022

Excess of Expenditures Over Budget Appropriation

The General Fund expenditures for the Operation and Maintenance of Lands and Works major category for both the Fixed Capital Outlay and Debt Services major object categories exceeded the final budgeted appropriation by \$1,833,912 and \$51,331, respectively. This overage was due to the implementation of GASB Standard #87 for the long-term lease of the District's Jacksonville Service Center, which the District did not incorporate into its fiscal year 2021-2022 adopted budget due to not knowing the total impacted amount before adoption or amendment deadline.

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

| | <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 | \$4,428,262 | \$4,433,091 | \$5,033,228 | \$4,369,253 | \$4,379,223 | \$3,932,725 |
| Service Cost | 119,561 | 139,728 | 111,672 | 159,127 | 121,964 | 105,467 |
| Interest on total OPEB liability | 109,197 | 103,346 | 110,975 | 192,003 | 163,393 | 161,528 |
| Effect of differences between expected and actual experience | -643,419 | -27,066 | -601,947 | 552,884 | -52,288 | 289,909 |
| Implicit Rate Subsidy | <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 | -676,934 | -4,829 | -600,137 | 663,975 | -9,970 | 446,498 |
| Total OPEB liability- Ending Balance | 3,751,328 | 4,428,262 | 4,433,091 | 5,033,228 | 4,369,253 | 4,379,223 |
| Covered employee payroll | 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 | 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.

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, 2022
(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 3.54 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 2022:

- FRS: The long-term expected rate of return was decreased from 6.80 percent to 6.70 percent.
- HIS: The demographic assumptions for the Special Risk class were updated to reflect plan changes due to HB5007, HB689, and SB838.
- HIS: The election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.
- HIS: The municipal bond rate used to determine total pension liability was increased from 2.16 percent to 3.54 percent.

Florida Retirement System (FRS) Pension Plan Contribution Rates

For information on the actuarial methods and assumptions used in the July 1, 2021, funding valuation, refer to the valuation report dated December 1, 2021, 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, 2022
(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; there are no assets accumulated in a trust to pay related benefits. 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>2021-22</u> | <u>2020-21</u> | <u>2019-20</u> |
|---|----------------|----------------|----------------|
| St. Johns River Water Management District's proportion of the net pension liability (asset) | 7.178654700% | 0.075207414% | 0.074163269% |
| St. Johns River Water Management District's proportionate share of the net pension liability (asset) | \$ 26,710,364 | \$ 5,681,065 | \$ 32,143,454 |
| St. Johns River Water Management District's covered payroll | 30,571,191 | 30,847,956 | 31,798,698 |
| St. Johns River Water Management District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 87.37% | 18.42% | 101.08% |
| Plan fiduciary net position as a percentage of the total pension liability | 82.89% | 96.40% | 78.85% |

*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 Comprehensive Annual 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.

| <u>2018-19</u> | <u>2017-18</u> | <u>2016-17</u> | <u>2015-16</u> | <u>2014-15</u> |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 0.079128032% | 0.081667525% | 0.087082390% | 0.088007698% | 0.098383092% |
| \$ 27,250,593 | \$ 24,598,682 | \$ 25,758,387 | \$ 22,222,013 | \$ 12,707,496 |
| 33,060,536 | 33,903,289 | 35,691,411 | 36,080,549 | 37,304,382 |
| 82.43% | 72.56% | 72.17% | 61.59% | 34.06% |
| 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>2021-22</u> | <u>2020-21</u> | <u>2019-20</u> | <u>2018-19</u> |
|---|--------------------|--------------------|--------------------|--------------------|
| Contractually required contribution | \$ 3,063,263 | \$ 2,865,078 | \$ 2,464,117 | \$ 2,453,540 |
| Contributions in relation to the contractually required contribution | <u>(3,063,263)</u> | <u>(2,865,078)</u> | <u>(2,464,117)</u> | <u>(2,453,540)</u> |
| Contribution deficiency (excess) | - | - | - | - |
| St. Johns River Water Management District's covered payroll | <u>32,291,656</u> | <u>30,763,566</u> | <u>31,518,685</u> | <u>32,790,543</u> |
| Contributions as a percentage of covered payroll | 9.49% | 9.31% | 7.82% | 7.48% |

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

| <u>2017-18</u> | <u>2016-17</u> | <u>2015-16</u> | <u>2014-15</u> | <u>2013-14</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ 2,327,459 | \$ 2,266,969 | \$ 2,146,208 | \$ 2,398,663 | \$ 2,194,839 |
| <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>33,794,563</u> | <u>34,080,781</u> | <u>35,484,176</u> | <u>37,348,315</u> | <u>37,207,322</u> |
| 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>2021-22</u> | <u>2020-21</u> | <u>2019-20</u> |
|---|----------------|----------------|----------------|
| St. Johns River Water Management District's proportion of the net pension liability (asset) | 8.386334300% | 0.087059211% | 0.091609836% |
| St. Johns River Water Management District's proportionate share of the net pension liability (asset) | \$ 8,882,467 | \$ 10,679,121 | \$ 11,185,412 |
| St. Johns River Water Management District's covered payroll | 30,571,191 | 30,847,956 | 31,798,698 |
| St. Johns River Water Management District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 29.06% | 34.62% | 35.18% |
| Plan fiduciary net position as a percentage of the total pension liability | 4.81% | 3.56% | 3.00% |

*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 Comprehensive Annual 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.

| 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 |
|----------------|----------------|----------------|----------------|----------------|
| 0.098852719% | 0.103801405% | 0.111921289% | 0.116868817% | 0.122961734% |
| \$ 11,060,630 | \$ 10,986,457 | \$ 11,967,141 | \$ 13,620,577 | \$ 12,540,163 |
| 33,060,536 | 33,903,289 | 35,691,411 | 36,080,549 | 37,304,382 |
| 33.46% | 32.41% | 33.53% | 37.75% | 33.62% |
| 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>2021-22</u> | <u>2020-21</u> | <u>2019-20</u> |
|---|-------------------|-------------------|-------------------|
| Contractually required contribution | \$ 507,444 | \$ 511,735 | \$ 527,905 |
| Contributions in relation to the contractually required contribution | <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>32,291,656</u> | <u>30,763,566</u> | <u>31,518,685</u> |
| Contributions as a percentage of covered payroll | 1.57% | 1.66% | 1.67% |

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

| <u>2018-19</u> | <u>2017-18</u> | <u>2016-17</u> | <u>2015-16</u> | <u>2014-15</u> | <u>2013-14</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% |



Golden spider lily

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, 2022

| | Budgeted | | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|--------------|---------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Total revenues | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | | | | |
| Acquisition, restoration and public works | | | | |
| Fixed capital outlay | 4,396,226 | 18,512,876 | 4,702,308 | 13,810,568 |
| Total acquisition, restoration and public works | 4,396,226 | 18,512,876 | 4,702,308 | 13,810,568 |
| Operation and maintenance of lands and works | | | | |
| Fixed capital outlay | 5,361,473 | 5,185,930 | 4,527,632 | 658,298 |
| Total operation and maintenance of lands and works | 5,361,473 | 5,185,930 | 4,527,632 | 658,298 |
| Total expenditures | 9,757,699 | 23,698,806 | 9,229,940 | 14,468,866 |
| Excess of revenues over (under) expenditures | (9,757,699) | (23,698,806) | (9,229,940) | 14,468,866 |
| Other financing sources (uses) | | | | |
| Transfers in | 5,352,000 | 19,293,107 | 5,499,663 | (13,793,444) |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | 5,352,000 | 19,293,107 | 5,499,663 | (13,793,444) |
| Net change in fund balance | (4,405,699) | (4,405,699) | (3,730,277) | 675,422 |
| Fund balance, beginning of year | 4,405,699 | 4,405,699 | 4,405,699 | - |
| Fund balance, end of year | \$ - | \$ - | \$ 675,422 | \$ 675,422 |

Annual Comprehensive Financial Report

Statistical Section (Unaudited)



Florida Red-bellied turtle

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 comprehensive annual financial reports for the relevant year.

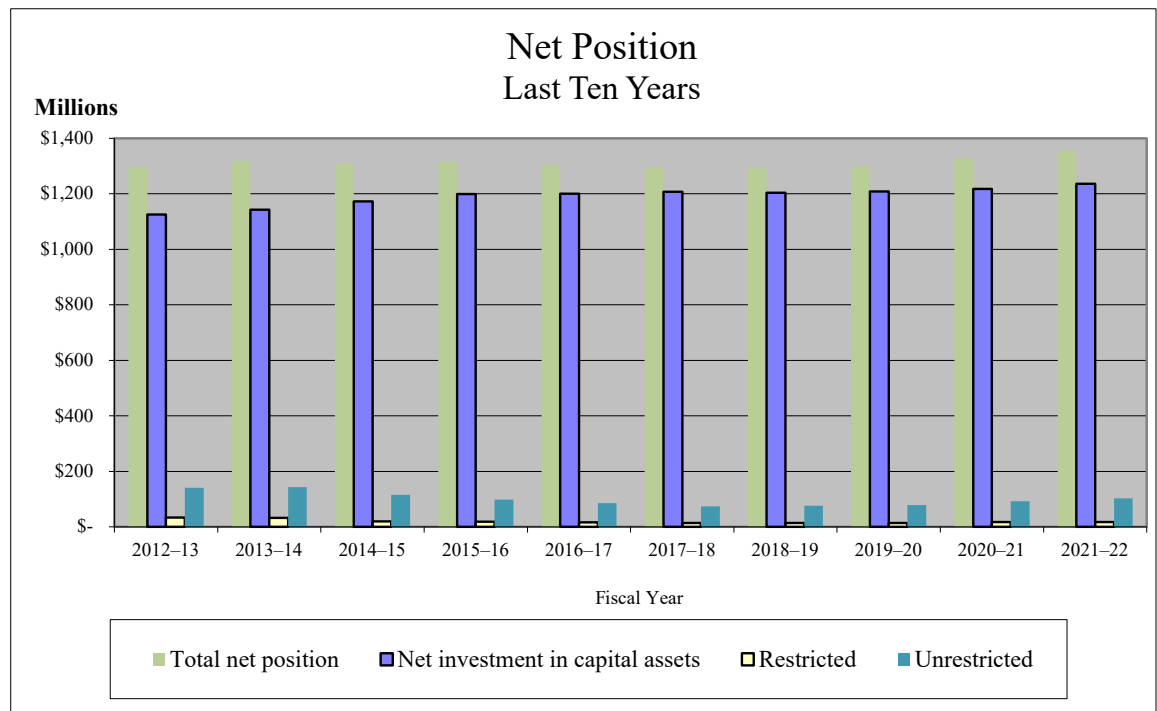


Tropical water lily

Financial Trends

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

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Governmental activities | | | | | |
| Net investment in capital assets | \$ 1,125,006,751 | \$ 1,142,674,165 | \$ 1,172,379,975 | \$ 1,199,234,566 | \$ 1,200,386,597 |
| Restricted | 33,148,716 | 32,435,993 | 19,334,646 | 18,648,086 | 16,364,766 |
| Unrestricted | 140,577,543 | 143,202,750 | 115,889,657 | 98,291,727 | 85,959,027 |
| Total net position, governmental activities | \$ 1,298,733,010 | \$ 1,318,312,908 | \$ 1,307,604,278 | \$ 1,316,174,379 | \$ 1,302,710,390 |



| 2017–18 | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ 1,207,622,764 | \$ 1,203,496,683 | \$ 1,208,369,100 | \$ 1,217,378,165 | \$ 1,236,661,031 |
| 14,357,026 | 14,162,621 | 14,336,599 | 17,863,617 | 16,920,572 |
| 73,442,677 | 75,787,002 | 78,419,702 | 92,765,680 | 103,200,785 |
| \$ 1,295,422,467 | \$ 1,293,446,306 | \$ 1,301,125,401 | \$ 1,328,007,462 | \$ 1,356,782,388 |

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

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|-----------------------------|-----------------------------|----------------------------|----------------------------|
| Expenses: | | | | |
| Water resources planning and monitoring | \$ 13,955,220 | \$ 15,048,512 | \$ 16,525,822 | \$ 14,941,578 |
| Acquisition, restoration and public works | 22,903,593 | 27,583,602 | 45,545,311 | 45,556,251 |
| Operation and maintenance of land and works | 24,134,473 | 23,901,054 | 25,818,520 | 22,949,525 |
| Regulation | 14,145,560 | 13,230,805 | 16,035,824 | 12,183,780 |
| Outreach | 904,300 | 940,621 | 1,229,915 | 1,056,451 |
| District management and administration | 17,289,120 | 16,217,840 | 16,371,881 | 16,881,745 |
| Interest on long-term debt/ lease | 955,965 | 599,241 | 329,367 | - |
| Total expenses | <u>94,288,231</u> | <u>97,521,675</u> | <u>121,856,640</u> | <u>113,569,330</u> |
| Program revenues: | | | | |
| Charges for services: | | | | |
| Gain on disposal of land | - | - | 1,231,071 | 1,613,492 |
| Regulatory permitting | 1,152,520 | 1,510,633 | 1,728,512 | 2,082,799 |
| Operations and land management | 1,234,117 | 1,885,825 | 1,387,381 | 1,778,961 |
| Operating grants and contributions | 14,206,955 | 15,072,037 | 27,128,105 | 17,912,774 |
| Capital grants and contributions | 10,062,697 | 16,783,189 | 12,582,684 | 13,742,293 |
| Total program revenues | <u>26,656,289</u> | <u>35,251,684</u> | <u>44,057,753</u> | <u>37,130,319</u> |
| Net (expense)/ revenue | (67,631,942) | (62,269,991) | (77,798,887) | (76,439,011) |
| General revenues and other changes in net position | | | | |
| Ad valorem (property taxes) | 79,630,212 | 80,285,876 | 81,505,441 | 82,873,945 |
| Unrestricted earnings on investments | 720,372 | 1,131,270 | 2,386,129 | 1,941,294 |
| Miscellaneous | 107,704 | 432,743 | 230,492 | 193,873 |
| Total general revenues and other changes in net position | <u>80,458,288</u> | <u>81,849,889</u> | <u>84,122,062</u> | <u>85,009,112</u> |
| Change in net position | <u>\$ 12,826,346</u> | <u>\$ 19,579,898</u> | <u>\$ 6,323,175</u> | <u>\$ 8,570,101</u> |

| 2016–17 | 2017–18 | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
|------------------------|-----------------------|-----------------------|---------------------|----------------------|----------------------|
| \$ 15,857,328 | \$ 14,335,314 | \$ 14,946,389 | \$ 15,611,537 | \$ 13,221,335 | \$ 14,190,232 |
| 67,405,308 | 76,409,655 | 59,248,127 | 45,086,646 | 35,031,146 | 40,122,011 |
| 24,220,770 | 23,916,602 | 25,172,793 | 25,068,466 | 27,439,764 | 27,108,537 |
| 11,950,330 | 10,869,409 | 11,215,142 | 13,441,079 | 11,751,217 | 12,312,244 |
| 1,035,590 | 952,170 | 923,747 | 1,166,635 | 965,048 | 1,124,482 |
| 16,642,647 | 16,799,405 | 16,781,888 | 10,179,742 | 9,847,179 | 10,013,220 |
| - | - | - | - | - | 73,545 |
| 137,111,973 | 143,282,555 | 128,288,086 | 110,554,105 | 98,255,689 | 104,944,271 |
| - | 1,124,821 | - | - | - | - |
| 2,120,253 | 2,298,812 | 2,327,093 | 2,105,812 | 2,521,954 | 2,767,462 |
| 1,909,607 | 1,610,489 | 1,942,046 | 1,782,198 | 1,376,417 | 2,494,850 |
| 26,169,214 | 37,852,367 | 22,855,269 | 15,258,039 | 18,185,275 | 29,261,630 |
| 8,060,160 | 7,534,233 | 5,488,297 | 6,158,725 | 6,271,992 | 11,736,201 |
| 38,259,234 | 50,420,722 | 32,612,705 | 25,304,774 | 28,355,638 | 46,260,143 |
| (98,852,739) | (92,861,833) | (95,675,381) | (85,249,331) | (69,900,051) | (58,684,128) |
| 84,103,364 | 85,496,445 | 87,187,723 | 88,509,313 | 90,907,795 | 93,043,309 |
| 848,612 | 172,979 | 5,980,793 | 4,192,008 | 913,672 | (5,706,697) |
| 436,774 | 442,493 | 530,704 | 227,105 | 140,030 | 122,442 |
| 85,388,750 | 86,111,917 | 93,699,220 | 92,928,426 | 91,961,497 | 87,459,054 |
| \$ (13,463,989) | \$ (6,749,916) | \$ (1,976,161) | \$ 7,679,095 | \$ 22,061,446 | \$ 28,774,926 |

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

| | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General fund | | | | |
| Nonspendable | \$ 914,668 | \$ 1,030,023 | \$ 1,581,027 | \$ 2,059,241 |
| Restricted | - | - | - | - |
| Committed | 126,500,000 | 125,260,000 | 123,265,302 | 111,136,700 |
| Assigned | 16,423,721 | 16,013,221 | 9,854,264 | 13,036,517 |
| Unassigned | 2,104,987 | 42,514 | - | - |
| Total general fund | <u>145,943,376</u> | <u>142,345,758</u> | <u>134,700,593</u> | <u>126,232,458</u> |
| All other governmental funds | | | | |
| Nonspendable: | | | | |
| Special revenue funds | - | - | - | - |
| Restricted: | | | | |
| Special revenue funds | 26,867,688 | 26,088,129 | 19,334,646 | 18,648,086 |
| Debt service fund | 6,454,533 | 6,471,774 | - | - |
| Committed: | | | | |
| Special revenue funds | - | 7,200,000 | 12,426,071 | 8,067,297 |
| Capital projects fund | 6,000,000 | 5,040,000 | 4,477,398 | 1,200,115 |
| Assigned: | | | | |
| Special revenue funds | | | | |
| Capital projects fund | 1,094,300 | 536 | 64,528 | - |
| Total all other governmental funds | <u>40,416,521</u> | <u>44,800,439</u> | <u>36,302,643</u> | <u>27,915,498</u> |
| Total fund balances | <u>\$ 186,359,897</u> | <u>\$ 187,146,197</u> | <u>\$ 171,003,236</u> | <u>\$ 154,147,956</u> |

| 2016–17 | 2017–18 | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 1,551,238 | \$ 1,322,613 | \$ 1,187,026 | \$ 807,609 | \$ 614,437 | \$ 840,943 |
| 160,120 | - | - | - | - | - |
| 99,368,966 | 81,686,819 | 93,549,548 | 114,627,674 | 110,710,680 | 129,616,269 |
| 4,480,110 | 11,943,340 | 1,156,939 | 620,137 | 6,139,104 | 6,257,610 |
| 9,909,180 | 9,008,187 | 15,040,051 | - | 7,444,352 | - |
| 115,469,614 | 103,960,959 | 110,933,564 | 116,055,420 | 124,908,573 | 136,714,822 |
| - | - | - | - | - | - |
| 16,204,646 | 14,357,026 | 14,162,621 | 14,336,599 | 17,863,617 | 16,920,572 |
| - | - | - | - | - | - |
| 7,517,467 | 6,095,032 | 5,779,078 | 6,017,414 | 4,585,904 | 8,150,418 |
| 1,095,396 | 877,202 | 488,518 | 1,484,242 | 4,396,226 | - |
| - | 338,782 | 65,200 | 81,064 | 9,473 | 4,113 |
| | | | | | 675,422 |
| 24,817,509 | 21,668,042 | 20,495,417 | 21,919,319 | 26,855,220 | 25,750,525 |
| \$ 140,287,123 | \$ 125,629,001 | \$ 131,428,981 | \$ 137,974,739 | \$ 151,763,793 | \$ 162,465,347 |

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

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--|--------------------------|--------------------------|-------------------------------|-------------------------------|
| Revenues: | | | | |
| Taxes | \$ 79,630,212 | \$ 80,285,876 | \$ 81,505,441 | \$ 82,873,945 |
| State | 19,809,645 | 19,165,372 | 26,009,183 | 18,633,171 |
| Federal | 1,071,230 | 1,630,939 | 2,428,612 | 4,792,762 |
| Investment earnings | 720,372 | 1,131,270 | 2,386,129 | 1,941,294 |
| Local mitigation | 8,750 | 25,477 | 646 | 69,829 |
| Licenses and permits | 1,141,451 | 1,504,706 | 1,721,156 | 2,076,949 |
| Cities and counties | 92,925 | 358 | 400,268 | 20,493 |
| Other local | 223,517 | 205,770 | 1,031,639 | 1,952,128 |
| Land management | 1,234,117 | 1,885,825 | 1,387,381 | 1,778,961 |
| Miscellaneous revenue | 118,773 | 438,670 | 237,848 | 199,723 |
| Total revenues | <u>104,050,992</u> | <u>106,274,263</u> | <u>117,108,303</u> | <u>114,339,255</u> |
| Expenditures: | | | | |
| Water resources planning and monitoring | 14,643,303 | 15,647,669 | 18,851,892 | 17,276,381 |
| Acquisition, restoration and public works | 34,297,823 | 33,986,990 | 52,076,117 | 66,315,200 |
| Operation and maintenance of land and works | 17,276,250 | 19,049,507 | 20,225,937 | 20,025,471 |
| Regulation | 14,056,424 | 13,511,073 | 14,021,045 | 11,840,656 |
| Outreach | 896,417 | 963,860 | 1,092,884 | 1,027,234 |
| District management and administration | 16,418,073 | 15,748,277 | 14,602,886 | 16,113,130 |
| Debt service: | | | | |
| Principal retirement | 5,645,000 | 5,830,000 | 12,290,000 | - |
| Interest and fiscal charges | 872,125 | 688,362 | 532,328 | - |
| Total expenditures | <u>104,105,415</u> | <u>105,425,738</u> | <u>133,693,089</u> | <u>132,598,072</u> |
| Excess of revenues over(under) expenditures | (54,423) | 848,525 | (16,584,786) | (18,258,817) |
| Other financing sources (uses): | | | | |
| Transfers in | 307,150 | 7,988,246 | 48,226,466 | 4,222,565 |
| Transfers out | (307,150) | (7,988,246) | (48,226,466) | (4,222,565) |
| Sale of capital assets | 416,062 | 94,343 | 437,830 | 1,401,001 |
| Transfer out - refund to state | - | (156,568) | - | - |
| Insurance - loss recovery | 11,824 | - | 3,995 | 2,536 |
| Total other financing sources (uses) | <u>427,886</u> | <u>(62,225)</u> | <u>441,825</u> | <u>1,403,537</u> |
| Net change in fund balances | <u>\$ 373,463</u> | <u>\$ 786,300</u> | <u>\$ (16,142,961)</u> | <u>\$ (16,855,280)</u> |
| Debt service as a percentage of noncapital expenditures | 7.21% | 6.95% | 10.58% | N/A |

| 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|------------------------|------------------------|---------------------|---------------------|---------------------|----------------------|
| \$ 84,103,364 | \$ 85,496,445 | \$ 86,945,000 | \$ 88,543,660 | \$ 90,921,443 | \$ 93,071,990 |
| 26,944,590 | 23,088,283 | 22,109,984 | 17,877,691 | 22,807,338 | 32,552,018 |
| 1,559,917 | 14,722,233 | 1,574,918 | 1,053,777 | 183,086 | 84,637 |
| 848,612 | 172,979 | 5,980,793 | 4,192,008 | 140,030 | (5,706,697) |
| 807 | 70,859 | 323,681 | 86,510 | 12,303 | 40,920 |
| 1,897,307 | 1,968,953 | 2,084,226 | 2,045,357 | 2,403,355 | 2,724,712 |
| 67,798 | 496,034 | 111,326 | 53,956 | 48,896 | 44,712 |
| 818,867 | 1,721,109 | 297,251 | 206,853 | 199,867 | 192,652 |
| 2,120,253 | 1,610,489 | 1,942,046 | 1,782,198 | 1,376,417 | 2,494,850 |
| 449,074 | 772,352 | 773,571 | 287,560 | 1,032,271 | 165,193 |
| 118,810,589 | 130,119,736 | 122,142,796 | 116,129,570 | 119,125,006 | 125,664,987 |
| 16,388,650 | 14,956,611 | 14,526,979 | 15,555,502 | 14,635,719 | 14,862,769 |
| 65,132,072 | 80,716,522 | 55,063,632 | 52,317,655 | 50,359,169 | 58,637,990 |
| 21,938,325 | 21,526,894 | 20,291,041 | 20,754,186 | 22,269,652 | 26,319,947 |
| 11,483,652 | 10,730,509 | 10,185,895 | 12,578,882 | 12,851,118 | 12,553,628 |
| 994,787 | 949,000 | 854,629 | 1,101,653 | 1,048,016 | 1,142,693 |
| 17,042,243 | 17,357,032 | 15,701,195 | 8,861,869 | 9,356,634 | 9,106,782 |
| - | - | - | - | - | (22,214) |
| - | - | - | - | - | 73,545 |
| 132,979,729 | 146,236,568 | 116,623,371 | 111,169,747 | 110,520,308 | 122,675,140 |
| (14,169,140) | (16,116,832) | 5,519,425 | 4,959,823 | 8,604,698 | 2,989,847 |
| 3,672,135 | 3,730,986 | 6,703,492 | 8,968,616 | 10,679,460 | 5,724,694 |
| (3,672,135) | (3,730,986) | (6,703,492) | (8,968,616) | (10,679,460) | (5,724,694) |
| 307,543 | 1,230,496 | 117,144 | 1,433,583 | 41,166 | 5,537,707 |
| - | - | - | - | - | 129,908 |
| 764 | 228,214 | 163,411 | 152,352 | 322,575 | 2,044,092 |
| 308,307 | 1,458,710 | 280,555 | 1,585,935 | 363,741 | 7,711,707 |
| \$ (13,860,833) | \$ (14,658,122) | \$ 5,799,980 | \$ 6,545,758 | \$ 8,968,439 | \$ 10,701,554 |
| N/A | N/A | N/A | N/A | N/A | N/A |



Blue ginger

Revenue Capacity

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

| | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> |
|--|----------------|----------------|----------------|----------------|
| Assessed Property Value (Millions) ¹ | \$ 249,187 | \$ 253,093 | \$ 266,509 | \$ 283,964 |
| Estimated Just Value (Millions) ² | 376,267 | 377,799 | 412,989 | 445,836 |
| Assessed Value as a Percentage of Just Value | 66.2% | 67.0% | 64.5% | 63.7% |
| Millage Levy | 0.3313 | 0.3283 | 0.3164 | 0.3023 |

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.

| <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 301,971 | \$ 325,455 | \$ 352,181 | \$ 380,129 | \$ 411,352 | \$ 439,982 |
| 473,945 | 508,680 | 552,921 | 593,787 | 676,929 | 839,548 |
| 63.6% | 64.0% | 63.7% | 64.0% | 61.0% | 52.4% |
| 0.2885 | 0.2627 | 0.2562 | 0.2414 | 0.2287 | 0.2189 |

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
TAXABLE PROPERTY VALUES AND ESTIMATED
JUST VALUES OF TAXABLE PROPERTY BY COUNTY
FISCAL YEAR 2021–2022

| <u>County</u> | <u>Estimated Just Value¹</u> | <u>Taxable Value²</u> | <u>Taxable as Percentage of Just Value</u> |
|----------------------|--|---|---|
| Alachua* | \$27,263,097,167 | \$12,301,441,237 | 45.1% |
| Baker* | 2,694,932,263 | 1,088,668,121 | 40.4% |
| Bradford* | 148,699,063 | 72,922,394 | 49.0% |
| Brevard | 106,771,724,627 | 47,354,647,268 | 44.4% |
| Clay | 26,010,892,290 | 13,097,431,085 | 50.4% |
| Duval | 146,475,578,284 | 79,201,246,459 | 54.1% |
| Flagler | 22,423,880,153 | 10,918,107,574 | 48.7% |
| Indian River | 37,629,750,101 | 20,620,389,567 | 54.8% |
| Lake* | 49,632,763,491 | 26,585,881,120 | 53.6% |
| Marion* | 29,731,481,693 | 13,698,452,700 | 46.1% |
| Nassau | 21,028,314,798 | 11,128,659,688 | 52.9% |
| Okeechobee* | 2,910,708,871 | 1,099,090,960 | 37.8% |
| Orange* | 136,012,694,393 | 79,466,545,157 | 58.4% |
| Osceola* | 229,682,506 | 126,588,102 | 55.1% |
| Putnam | 10,827,196,714 | 4,863,654,109 | 44.9% |
| St. Johns | 66,052,775,985 | 34,737,847,525 | 52.6% |
| Seminole | 68,868,679,598 | 40,291,710,129 | 58.5% |
| Volusia | 84,835,954,360 | 43,329,384,269 | 51.1% |
| Total | \$839,548,806,358 | \$439,982,667,464 | 52.4% |
| 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 2021–2022

| <u>County</u> | <u>Property Tax Collections</u> | <u>Percentage of Collections</u> |
|---------------|-------------------------------------|--------------------------------------|
| Alachua | \$ 2,554,928 | 2.74% |
| Baker | 237,065 | 0.25% |
| Bradford | 15,557 | 0.02% |
| Brevard | 10,074,642 | 10.82% |
| Clay | 2,761,259 | 2.97% |
| Duval | 16,807,799 | 18.06% |
| Flagler | 2,307,427 | 2.48% |
| Indian River | 4,360,268 | 4.68% |
| Lake | 5,608,219 | 6.03% |
| Marion | 2,898,802 | 3.11% |
| Nassau | 2,351,200 | 2.53% |
| Okeechobee | 238,515 | 0.26% |
| Orange | 16,785,256 | 18.03% |
| Osceola | 26,534 | 0.03% |
| Putnam | 1,048,253 | 1.13% |
| St. Johns | 7,350,646 | 7.90% |
| Seminole | 8,481,709 | 9.11% |
| Volusia | 9,169,648 | 9.85% |
| Total | \$ 93,077,727 | 100.00% |

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

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|----------------------|----------------------|----------------------|----------------------|
| Millage Levy | 0.3313 | 0.3283 | 0.3164 | 0.3023 |
| Alachua | \$ 2,577,902 | \$ 2,526,907 | \$ 2,504,523 | \$ 2,461,229 |
| Baker | 251,296 | 230,868 | 228,881 | 214,861 |
| Bradford | 18,293 | 17,762 | 17,647 | 17,360 |
| Brevard | 7,968,861 | 8,261,567 | 8,658,663 | 8,763,008 |
| Clay | 2,563,141 | 2,587,480 | 2,598,482 | 2,591,210 |
| Duval | 15,353,964 | 15,093,496 | 15,221,818 | 15,418,596 |
| Flagler | 2,030,623 | 2,015,491 | 2,044,842 | 2,085,126 |
| Indian River | 4,082,189 | 4,114,964 | 4,121,433 | 4,202,249 |
| Lake | 4,750,592 | 4,746,674 | 4,783,007 | 4,804,644 |
| Marion | 2,942,777 | 2,919,095 | 2,914,399 | 2,916,170 |
| Nassau | 1,989,635 | 1,972,362 | 1,989,852 | 2,001,801 |
| Okeechobee | 23,934 | 22,543 | 21,456 | 21,170 |
| Orange | 13,164,264 | 13,429,265 | 13,738,249 | 14,387,847 |
| Osceola | 34,601 | 34,379 | 34,254 | 32,296 |
| Putnam | 1,071,860 | 1,083,026 | 1,027,046 | 970,997 |
| St. Johns | 5,479,842 | 5,582,815 | 5,707,498 | 5,947,220 |
| Seminole | 7,631,408 | 7,787,506 | 7,905,846 | 7,976,463 |
| Volusia | 7,695,030 | 7,859,676 | 7,987,545 | 8,061,698 |
| Total | \$ 79,630,212 | \$ 80,285,876 | \$ 81,505,441 | \$ 82,873,945 |
| Percentage increase of property tax revenues | -3.0% | 0.8% | 1.5% | 1.7% |

| 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 0.2885 | 0.2627 | 0.2562 | 0.2414 | 0.2287 | 0.2189 |
| \$ 2,444,567 | \$ 2,504,168 | \$ 2,536,425 | \$ 2,528,083 | \$ 2,542,145 | \$ 2,554,928 |
| 211,945 | 209,831 | 219,615 | 224,154 | 227,120 | 237,065 |
| 16,698 | 16,578 | 15,962 | 17,551 | 15,338 | 15,557 |
| 9,020,609 | 9,251,550 | 9,474,595 | 9,641,038 | 9,809,122 | 10,074,642 |
| 2,607,299 | 2,629,108 | 2,644,778 | 2,670,704 | 2,710,324 | 2,761,259 |
| 15,467,620 | 15,589,052 | 15,810,694 | 16,032,509 | 16,348,243 | 16,807,799 |
| 2,106,712 | 2,114,667 | 2,141,994 | 2,189,849 | 2,209,040 | 2,307,427 |
| 4,252,387 | 4,284,650 | 4,309,117 | 4,341,247 | 4,328,836 | 4,360,268 |
| 4,856,147 | 4,986,929 | 5,138,672 | 5,251,075 | 5,448,371 | 5,608,219 |
| 2,891,986 | 2,869,307 | 2,875,233 | 2,810,051 | 2,821,013 | 2,898,802 |
| 2,015,448 | 2,061,623 | 2,113,000 | 2,181,012 | 2,247,543 | 2,351,200 |
| 23,001 | 301,211 | 37,991 | 157,923 | 250,702 | 238,515 |
| 14,795,934 | 14,934,355 | 15,485,306 | 15,854,565 | 16,494,536 | 16,785,256 |
| 30,468 | 62,257 | 27,365 | 13,131 | 26,910 | 26,534 |
| 943,839 | 922,858 | 939,178 | 926,920 | 1,029,153 | 1,048,253 |
| 6,181,467 | 8,107,415 | 6,452,098 | 8,354,949 | 7,030,536 | 7,350,646 |
| 8,018,485 | 6,543,937 | 8,216,120 | 6,669,886 | 8,447,895 | 8,481,709 |
| 8,218,753 | 8,106,949 | 8,506,858 | 8,679,013 | 8,934,616 | 9,169,648 |
| \$ 84,103,364 | \$ 85,496,445 | \$ 86,945,000 | \$ 88,543,660 | \$ 90,921,443 | \$ 93,077,727 |
| 1.5% | 1.7% | 1.7% | 1.8% | 2.7% | 2.4% |

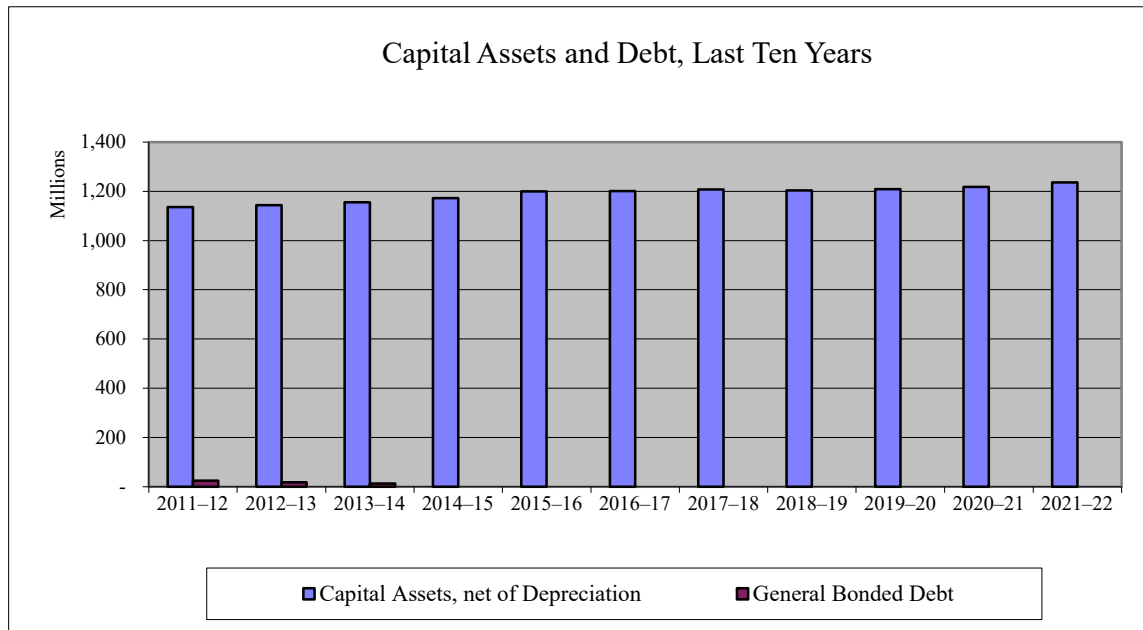


Tropical water lily

Debt Capacity

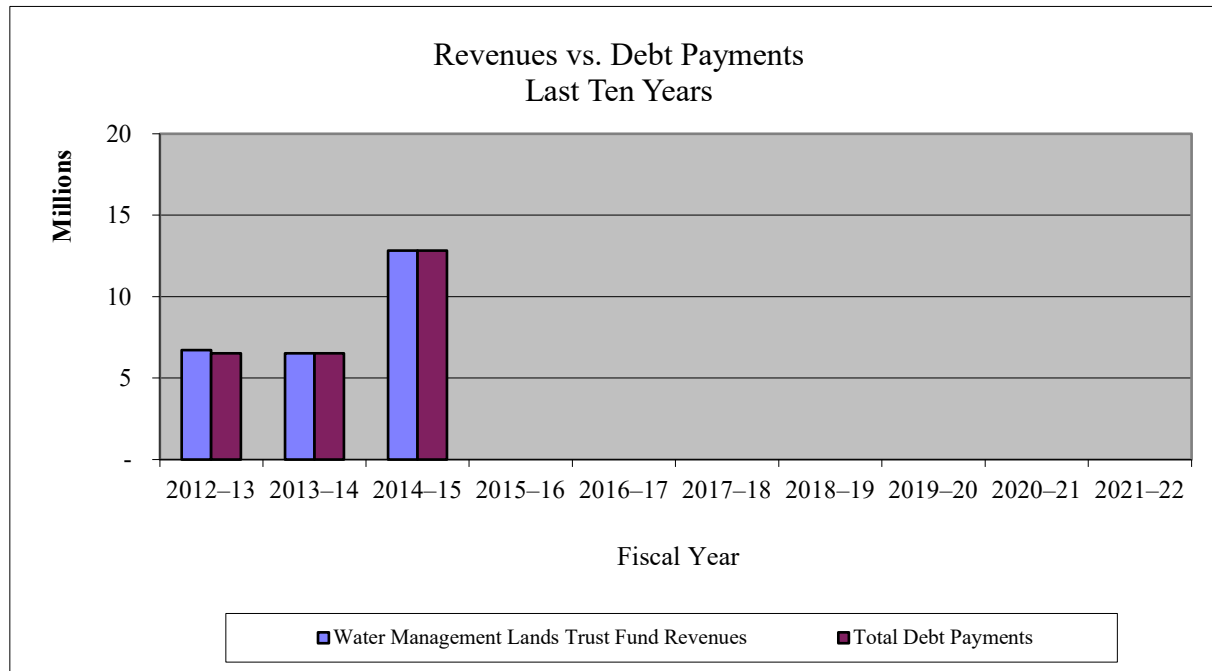
ST. JOHNS RIVER MANAGEMENT DISTRICT, FLORIDA
RATIO OF GENERAL BONDED DEBT TO CAPITAL ASSETS, NET OF
DEPRECIATION AND GENERAL BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

| Fiscal Year | General Bonded Debt | Capital Assets, net of Depreciation | Ratio Debt to Net Capital Assets | Estimated Population at April 1 | General Bonded Debt Per Capita |
|-------------|---------------------|-------------------------------------|----------------------------------|---------------------------------|--------------------------------|
| 2011–12 | 23,765,000 | 1,135,995,216 | 2.09% | 4,776,073 | 4.98 |
| 2012–13 | 18,120,000 | 1,143,245,328 | 1.58% | 4,800,498 | 3.77 |
| 2013–14 | 12,290,000 | 1,155,043,216 | 1.06% | 4,811,981 | 2.55 |
| 2014–15 | - | 1,172,379,975 | 0.00% | 4,867,285 | - |
| 2015–16 | - | 1,199,234,566 | 0.00% | 4,954,159 | - |
| 2016–17 | - | 1,200,386,597 | 0.00% | 5,022,469 | - |
| 2017–18 | - | 1,207,636,839 | 0.00% | 5,125,012 | - |
| 2018–19 | - | 1,203,496,683 | 0.00% | 5,252,872 | - |
| 2019–20 | - | 1,208,369,100 | 0.00% | 5,356,402 | - |
| 2020–21 | - | 1,217,378,165 | 0.00% | 5,656,395 | - |
| 2021–22 | - | 1,236,625,117 | 0.00% | 5,875,555 | - |



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 |
|-------------|--|------------|-----------------------------|------------|----------|
| 2012–13 | 6,715,383 | 5,645,000 | 872,125 | 6,517,125 | 1.03 |
| 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 | - | - | - | - | - |





Red tower ginger

Demographic and Economic Information

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

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Alachua* | 197,261 | 206,852 | 198,585 | 200,251 | 193,338 | 195,783 |
| Baker* | 26,368 | 26,397 | 26,423 | 26,372 | 26,606 | 27,057 |
| Bradford* | 1,154 | 5,557 | 5,544 | 5,570 | 2,438 | 2,475 |
| Brevard | 548,424 | 552,427 | 561,714 | 568,919 | 575,211 | 583,563 |
| Clay | 192,843 | 197,403 | 201,277 | 205,321 | 208,549 | 212,034 |
| Duval | 876,075 | 890,066 | 905,574 | 923,647 | 936,811 | 952,861 |
| Flagler | 97,843 | 99,121 | 101,353 | 103,095 | 105,157 | 107,511 |
| Indian River | 139,586 | 140,955 | 143,326 | 146,410 | 148,962 | 151,825 |
| Lake* | 302,559 | 309,117 | 315,936 | 323,337 | 331,027 | 342,196 |
| Marion* | 233,735 | 210,572 | 218,965 | 221,971 | 217,489 | 220,373 |
| Nassau | 74,661 | 75,321 | 76,536 | 77,841 | 80,456 | 82,748 |
| Okeechobee* | 744 | 1,434 | 1,442 | 1,469 | 1,460 | 1,459 |
| Orange* | 904,038 | 875,560 | 870,632 | 889,869 | 912,358 | 937,160 |
| Osceola* | 1,009 | 296 | 259 | 323 | 1,553 | 1,621 |
| Putnam* | 72,605 | 72,523 | 72,756 | 72,972 | 73,176 | 72,981 |
| St. Johns | 201,541 | 207,443 | 213,566 | 220,257 | 229,715 | 238,742 |
| Seminole | 431,074 | 437,086 | 442,903 | 449,124 | 454,757 | 463,560 |
| Volusia | 498,978 | 503,851 | 510,494 | 517,411 | 523,405 | 531,062 |
| SJRWMD Total | 4,800,498 | 4,811,981 | 4,867,285 | 4,954,159 | 5,022,469 | 5,125,012 |

Annual

| | | | | | | |
|---------------------|------|------|------|------|------|------|
| Percentage Increase | 1.0% | 0.2% | 1.1% | 1.8% | 1.4% | 2.0% |
|---------------------|------|------|------|------|------|------|

Source: University of Florida Bureau of Economic and Business Research

¹ *2021 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.

| 2018-19 | 2019-20 | 2020-21¹ | 2021-22¹ |
|-------------------------|-------------------------|----------------------------|----------------------------|
| 206,360 | 209,665 | 209,136 | 226,505 |
| 27,712 | 28,075 | 28,047 | 35,277 |
| 5,794 | 5,790 | 5,677 | 5,681 |
| 594,469 | 606,671 | 622,623 | 635,821 |
| 215,246 | 219,575 | 219,572 | 221,436 |
| 970,672 | 982,080 | 982,081 | 1,016,809 |
| 110,635 | 114,173 | 119,244 | 119,662 |
| 154,939 | 158,834 | 173,845 | 176,071 |
| 356,175 | 365,641 | 374,645 | 405,376 |
| 238,599 | 243,705 | 245,809 | 293,798 |
| 85,070 | 89,258 | 95,977 | 98,136 |
| 1,589 | 1,601 | 1,611 | 1,611 |
| 946,693 | 966,622 | 1,122,638 | 1,131,907 |
| 741 | 774 | 1,309 | 1,309 |
| 73,268 | 73,723 | 73,308 | 73,950 |
| 254,412 | 261,900 | 261,899 | 285,533 |
| 471,735 | 476,727 | 499,558 | 505,145 |
| 538,763 | 551,588 | 619,416 | 641,528 |
| <u>5,252,872</u> | <u>5,356,402</u> | <u>5,656,395</u> | <u>5,875,555</u> |
| 2.5% | 2.0% | 5.6% | 3.9% |

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

| | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Number of Employees ¹ | 591 | 588 | 591 | 582 | 574 |
| District Population ² | 4,811,981 | 4,867,285 | 4,954,159 | 4,954,159 | 5,022,469 |
| Employees Per 100,000 Population | 12.3 | 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> |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 565 | 550 | 536 | 531 | 529 |
| 5,125,012 | 5,252,872 | 5,356,402 | 5,656,395 | 5,875,555 |
| 11.0 | 10.5 | 10.0 | 9.4 | 9.0 |

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
TOP TEN NON-GOVERNMENT EMPLOYERS WITHIN A SINGLE COUNTY
FISCAL YEAR 2021-2022**

| <u>Employer</u> | <u>2021</u> | | | <u>2012</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. | 58,478 | 1 | Orange | 58,000 | 1 | Orange |
| Florida Hospital/Adventist Health | 37,000 | 2 | Orange | 16,700 | 2 | Orange |
| Universal Orlando Resort | 21,143 | 3 | Orange | 13,000 | 5 | Orange |
| Orlando Health | 19,657 | 4 | Orange | 14,000 | 4 | Orange |
| University of Florida | 17,648 | 5 | Alachua | 14,723 | 3 | Alachua |
| Baptist Health | 12,603 | 6 | Duval | 8,270 | 8 | Duval |
| University of Central Florida* | 12,354 | 7 | Orange | 7,753 | 9 | Orange |
| Lockheed Martin | 10,000 | 8 | Orange | 13,000 | 6 | Orange |
| UF Health Shands System | 9,944 | 9 | Alachua | 12,588 | 7 | Alachua |
| Mayo Clinic | 8,848 | 10 | Duval | 4,970 | 10 | Duval |

Source: 2021 county and city CAFRs within the District's boundaries

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

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20* | 2020-21* | 2021-22* |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|
| Alachua | 5.4% | 5.2% | 4.2% | 4.3% | 3.0% | 2.7% | 2.7% | 4.3% | 3.1% | 2.4% |
| Baker | 6.7% | 6.3% | 4.9% | 4.9% | 3.2% | 2.9% | 2.7% | 4.3% | 3.2% | 2.5% |
| Bradford | 5.7% | 5.6% | 5.0% | 4.3% | 3.0% | 2.7% | 2.7% | 4.6% | 3.8% | 2.8% |
| Brevard | 7.9% | 6.9% | 5.4% | 5.2% | 3.5% | 3.0% | 2.9% | 5.0% | 3.4% | 2.5% |
| Clay | 6.3% | 5.7% | 4.5% | 4.5% | 3.1% | 2.8% | 2.8% | 3.9% | 3.0% | 2.3% |
| Duval | 7.4% | 6.7% | 5.2% | 5.0% | 3.5% | 3.0% | 2.9% | 5.5% | 3.6% | 2.6% |
| Flagler | 10.2% | 7.5% | 5.9% | 5.5% | 3.8% | 3.5% | 3.3% | 5.5% | 4.1% | 3.0% |
| Indian River | 9.1% | 7.8% | 6.7% | 6.2% | 4.3% | 3.7% | 3.4% | 3.4% | 3.9% | 3.1% |
| Lake | 7.5% | 6.4% | 5.0% | 4.9% | 3.4% | 2.9% | 2.9% | 6.4% | 3.9% | 2.7% |
| Marion | 8.3% | 7.3% | 5.9% | 5.8% | 4.0% | 3.6% | 3.4% | 5.4% | 4.2% | 3.2% |
| Nassau | 6.2% | 5.8% | 4.6% | 4.6% | 3.2% | 2.7% | 2.7% | 3.9% | 2.9% | 2.3% |
| Okeechobee | 8.7% | 7.3% | 6.0% | 5.4% | 3.8% | 3.1% | 3.1% | 4.4% | 3.8% | 2.8% |
| Orange | 6.8% | 5.8% | 4.5% | 4.4% | 3.1% | 2.6% | 2.6% | 8.3% | 3.9% | 2.6% |
| Osceola | 7.5% | 6.7% | 5.3% | 5.0% | 3.6% | 3.0% | 3.0% | 10.1% | 4.8% | 3.2% |
| Putnam | 9.4% | 8.7% | 6.9% | 6.3% | 4.4% | 4.1% | 3.7% | 7.1% | 5.4% | 3.6% |
| St. Johns | 5.6% | 4.7% | 3.6% | 3.7% | 2.7% | 2.6% | 2.3% | 3.6% | 2.6% | 2.1% |
| Seminole | 6.4% | 5.6% | 4.4% | 4.3% | 3.0% | 2.5% | 2.6% | 5.5% | 3.4% | 2.4% |
| Volusia | 7.3% | 6.7% | 5.3% | 5.1% | 3.6% | 3.2% | 3.1% | 5.7% | 3.9% | 2.8% |
| SJRWMD | 7.1% | 5.9% | 4.9% | 4.8% | 3.3% | 2.9% | 2.9% | 5.4% | 3.4% | 2.6% |
| Florida | 7.2% | 6.1% | 5.4% | 4.9% | 3.6% | 3.0% | 2.9% | 6.3% | 3.6% | 2.6% |
| U.S. | 7.4% | 5.7% | 5.3% | 4.9% | 3.9% | 3.5% | 3.3% | 6.6% | 3.9% | 3.4% |

**Source: <http://www.floridajobs.org/workforce-statistics/workforce-statistics-data-releases/monthly-data-releases> 12/16/22*

** Data for November 2022. Not seasonally adjusted.*



Daylily

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>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> |
| <u>Full Fee:</u> | | | | | |
| Acquired | 3,678.92 | -402.46 | -1,587.71 | 4,748.01 | -152.65 |
| Cumulative | 613,528.44 | 613,125.98 | 611,538.27 | 616,286.28 | 616,133.63 |
| <u>Conservation Easement :</u> | | | | | |
| Acquired | 4,800.32 | 3,519.91 | 15,424.10 | 1,065.62 | 979.20 |
| Cumulative | 106,996.22 | 110,516.13 | 125,940.23 | 127,005.85 | 127,985.05 |
| Total Acres | <u>720,524.66</u> | <u>723,642.11</u> | <u>737,478.50</u> | <u>743,292.13</u> | <u>744,118.68</u> |

| <u>Type of Ownership</u> | <u>Acres of Land or Conservation Easement Ownership</u> | | | | |
|---------------------------------------|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> |
| <u>Full Fee:</u> | | | | | |
| Acquired | 430.38 | 308.52 | 434.91 | -4,495.68 | 2,057.96 |
| Cumulative | 616,564.01 | 616,872.53 | 617,307.44 | 612,811.76 | 614,869.72 |
| <u>Conservation Easement :</u> | | | | | |
| Acquired | -210.22 | 0.00 | -576.90 | -2,130.00 | 452.37 |
| Cumulative | 127,774.83 | 127,774.83 | 127,197.93 | 125,067.93 | 125,520.30 |
| Total Acres | <u>744,338.84</u> | <u>744,647.36</u> | <u>744,505.37</u> | <u>737,879.69</u> | <u>740,390.02</u> |

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

| Construction | | | | | | | | | | |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>Type of Levee</u> | <u>2012-13</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> |
| USACE & Flood | | | | | | | | | | |
| Control | 170.10 | 121.08 | 121.08 | 121.08 | 121.08 | 121.08 | 115.00 | 115.00 | 115.00 | 115.00 |
| Farm | 147.00 | 196.02 | 196.02 | 196.02 | 196.02 | 196.02 | 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>317.10</u> | <u>290.00</u> | <u>290.00</u> | <u>290.00</u> | <u>290.00</u> |

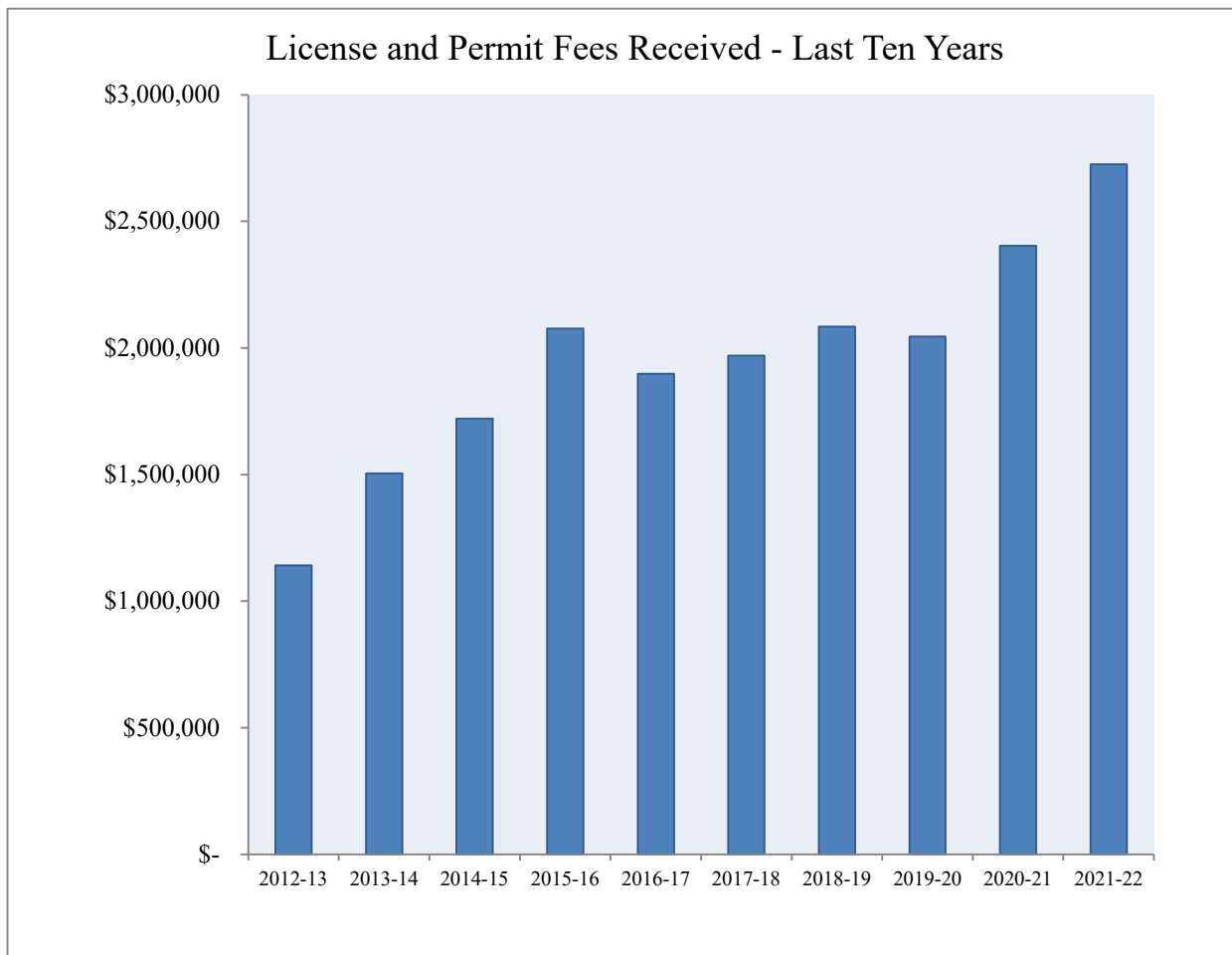
**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
PERMIT APPLICATIONS RECEIVED
LAST TEN FISCAL YEARS**

| <u>Permit Category</u> | <u>2012-13</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> |
|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Environmental Resource | 1,731 | 2,113 | 2,271 | 2,571 | 2,645 | 1,932 | 2,748 | 3,380 | 3,590 | 3,798 |
| Consumptive Use | 205 | 171 | 108 | 118 | 141 | 327 | 332 | 349 | 402 | 423 |
| Water Well Construction | <u>480</u> | <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> |
| Total Applications | <u>2,416</u> | <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> |

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

| <u>2012-13*</u> | <u>2013-14*</u> | <u>2014-15*</u> | <u>2015-16*</u> | <u>2016-17*</u> |
|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ 1,141,451 | \$ 1,504,706 | \$ 1,721,156 | \$ 2,076,949 | \$ 1,897,307 |
| <u>2017-18*</u> | <u>2018-19*</u> | <u>2019-20*</u> | <u>2020-21*</u> | <u>2021-22*</u> |
| \$ 1,968,953 | \$ 2,084,226 | \$ 2,045,357 | \$ 2,403,355 | \$ 2,724,712 |

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



Annual Comprehensive Financial Report

Other Reports Section



Great egret

**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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 29, 2023.

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

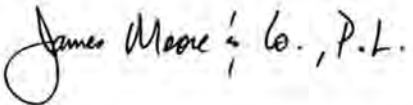
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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
March 29, 2023

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

| Federal/State Agency, Pass-through Entity Federal Program/State Project | ALN/ CSFA Number | Contract/ Grant Number | Total Expenditures | Expenditures to Subrecipients |
|--|---------------------------------|---------------------------------------|-------------------------------|--|
| FEDERAL AWARDS | | | | |
| United States Geological Survey | | | | |
| National Ground-Water Monitoring Network | 15.980 | 35948/G20AC00174 | 2,600 | - |
| Total United States Geological Survey | | | <u>2,600</u> | <u>-</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 | 82,037 | - |
| Total Florida Department of Environmental Protection | | | <u>82,037</u> | <u>-</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 84,637</u> | <u>\$ -</u> |
| STATE FINANCIAL ASSISTANCE | | | | |
| Florida Department of Environmental Protection | | | | |
| Direct Projects | | | | |
| Water Management Districts - Land Acquisition and Improvement | | | | |
| Land Sale - Ocklawaha Prairie Conservation Area/The Refuge | 37.022 | FF-8 | 255,634 | - |
| Save Our Rivers - Malabar Road North/Krause Land Exchange | 37.022 | SOR-2 | 1,689,668 | - |
| Land Sale - Heart Island Conservation Area | 37.022 | FF-9 | 251,938 | - |
| Restoration Activities - Land Management | 37.022 | 2021-09 | 2,250,000 | - |
| Restoration Activities - Land Management | 37.022 | 2022-02 | 706,948 | - |
| | | | <u>5,154,188</u> | <u>-</u> |
| Statewide Surface Water Restoration and Wastewater Projects | | | | |
| Tri County Agricultural Area Water Management Partnership | 37.039 | 34943/MN012 | 558,464 | - |
| In-Lake Treatments to Reduce Water Column Phosphorus in Lake Jesup | 37.039 | 35309/MN014 | 30,017 | - |
| Biosolids Discharge Measurements to Support BMAPS | 37.039 | 35683/MN017 | 209,446 | - |
| Indian River Lagoon Water Quality Improvement Projects | 37.039 | 36472/MOU21 | 406,999 | - |
| Doctors Lake Advanced Effluent Treatment | 37.039 | 36727/LPR0013 | 581,082 | - |
| Surface Water Sampling for the Status and GWTV Network | 37.039 | 37007/MN025 | 177,079 | - |
| Indian River Lagoon 2021 Seagrass Mapping | 37.039 | 37392/MN026 | 110,000 | - |
| Land Acquisition/Water Quality Assurance for Lake Apopka | 37.039 | 2017-03/MOU16 | 1,586,269 | - |
| St. Johns River and/or Keystone Heights Lake Region Restoration | 37.039 | 2017-06/MOU20 | 767,260 | - |
| Lake Apopka Restoration Project | 37.039 | 2017-07/MOU17 | 1,330,970 | - |
| St. Johns River and/or Keystone Heights Lake Restoration | 37.039 | 2018-03/MOU20 | 1,469,339 | 1,108,498 |
| Indian River Lagoon Water Quality Improvement Projects | 37.039 | 2020-05/MOU21 | 11,032,563 | 5,516,290 |
| | | | <u>18,259,488</u> | <u>6,624,788</u> |

(Continued)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

| Federal/State Agency, Pass-through Entity Federal Program/State Project | ALN/ CSFA Number | Contract/ Grant Number | Total Expenditures | Expenditures to Subrecipients |
|--|---------------------------------|---------------------------------------|-------------------------------|--|
| Florida Springs Grant Program | | | | |
| Outstanding Florida Springs-Replacement of Septic Tanks | 37.052 | 32410/LP4211I | 121,365 | 121,365 |
| Agricultural Best Management Practices | 37.052 | 32411/LP42119 | 56,713 | 56,713 |
| Ocala Lower Aquifer LFA Conversion Phase 1 | 37.052 | 34687/LP4211R | 100,513 | 100,513 |
| Volusia County Wastewater Infrastructure for Blue Spring | 37.052 | 35342/LPS0017 | 225,092 | 225,092 |
| Marion County US 441 Sewer Force Main | 37.052 | 35411/LPS0039 | 273,871 | 273,871 |
| Wekiwa Springs Septic Tank Retrofit, Phase 1 | 37.052 | 36558/LPS0065 | 1,273,330 | 1,273,330 |
| Oakland Hull Avenue Septic to Sewer | 37.052 | 36686/LPS0062 | 241,210 | 241,210 |
| Deland Reclaimed Water System Expansion Phase 4A | 37.052 | 36754/LPS0057 | 550,950 | 550,950 |
| Oak Bend/I-75 Water Quality Improvement | 37.052 | 36755/LPS0063 | 204,290 | 204,290 |
| GRU Targeted Septic to Sewer - Creek Water Quality Improvement | 37.052 | 36769/LPS0061 | 6,601 | 6,601 |
| Spanish Oaks Water Quality Improvement | 37.052 | 36770/LPS0064 | 128,821 | 128,821 |
| Apopka West Reuse Storage Facility and Reclaimed Water | 37.052 | 36776/LPS0060 | 95,722 | 95,722 |
| Seminole County Little Wekiva Restoration Project | 37.052 | 38049/LPS0072 | 1,166 | 1,166 |
| | | | <u>3,279,644</u> | <u>3,279,644</u> |
| Resilient Florida Programs | | | | |
| Bayard Point Land Acquisition | 37.098 | 38069/22SRP11 | 749,163 | - |
| | | | <u>749,163</u> | <u>-</u> |
| Alternative Water Supply | | | | |
| AWS City of Deltona, Alexander Avenue Water Resources Facility | 37.100 | 35260/WS007 | 984,442 | 984,442 |
| AWS Clay County Utility Authority (CCUA) Wastewater Treatability Study | 37.100 | 35261/WS008 | 91,358 | 91,358 |
| Central Florida Water Initiative Water Conservation Project | 37.100 | 36215/WS018 | 20,173 | 20,173 |
| Deland NW Reclaimed Water Ground Storage Tank and Pump Station Project | 37.100 | 37641/WS023 | 1,204,542 | 1,204,542 |
| Edgewater Reclaimed Extension to Meadow Lake and Woodridge Subdivisions Project | 37.100 | 37643/WS025 | 252,693 | 252,693 |
| FPL Okeechobee Clean Energy Center | 37.100 | 37644/WS027 | 50,000 | 50,000 |
| Orange City Alternative Water Supply Conveyance System - Monastery Road Project | 37.100 | 37647/WS024 | 55,042 | 55,042 |
| Sanford Brackish RO WTP Pilot Project | 37.100 | 37649/WS031 | 290,222 | 290,222 |
| Mascotte South Lake County Wellfield | 37.100 | 37652/WS021 | 128,520 | 128,520 |
| OUC Smart Leak Detection Device Rebates Project | 37.100 | 37653/WS030 | 300 | 300 |
| Deland Alabama Ave Reclaimed Water Main Extension | 37.100 | 37801/WS051 | 215,133 | 215,133 |
| Casselberry South Water Treatment Plant Well | 37.100 | 37803/WS052 | 67,756 | 67,756 |
| CCUA Saratoga Springs Reclaimed Water Storage & Pumping Station | 37.100 | 37804/WS055 | 809,997 | 809,997 |
| Green Cove Springs Harbor Road Reclamation Facility Phase 2 | 37.100 | 37805/WS054 | 1,300,704 | 1,300,704 |
| | | | <u>5,470,882</u> | <u>5,470,882</u> |

(Continued)

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

| Federal/State Agency, Pass-through Entity Federal Program/State Project | ALN/ CSFA Number | Contract/ Grant Number | Total Expenditures | Expenditures to Subrecipients |
|--|---------------------------------|---------------------------------------|-------------------------------|--|
| Innovative Technologies | | | | |
| Lake Minneola Harmful Algal Bloom Management | 37.103 | 35759/INV009 | 72,355 | - |
| Intact Cellular Algae Harvesting in Lake Jesup | 37.103 | 35747/INV002 | 761,072 | - |
| | | | <u>833,427</u> | <u>-</u> |
| Water Quality Enhancement and Accountability | | | | |
| Ocean and Coastal Mapping in the Indian River Lagoon | 37.105 | 37547/AT005 | 300,000 | |
| | | | <u>300,000</u> | <u>-</u> |
| Total Florida Department of Environmental Protection | | | <u>34,046,792</u> | <u>15,375,314</u> |
| TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE | | | <u>34,046,792</u> | <u>15,375,314</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE | | | <u><u>\$ 34,131,429</u></u> | <u><u>\$ 15,375,314</u></u> |

(Concluded)

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, 2022

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, 2022 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



Juvenile Black-crowned night heron

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
STATE PROJECT AND REPORT ON COMPLIANCE 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 Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited St. Johns River Water Management District's (the District) compliance with the types of compliance requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the District's major State projects for the year ended September 30, 2022. The District's 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major State projects for the year ended September 30, 2022.

Basis for Opinion on Each Major State Project

We conducted our audit of 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 (*Government Auditing Standards*); and the audit requirements of Chapter 10.550, Rules of the Auditor General. Our responsibilities 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 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 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*, and the audit requirements of 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 state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, 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 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 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

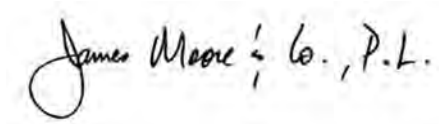
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 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 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
March 29, 2023

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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

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: \$1,021,404

Identification of major State projects:

| <u>CSFA Number</u> | <u>Program Name</u> |
|--------------------|--|
| 37.039 | Statewide Surface Water Restoration and Wastewater |

II. Financial Statement Findings: None

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

IV. Prior Audit Findings: Corrective action taken on prior period adjustment 2021-001.

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

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

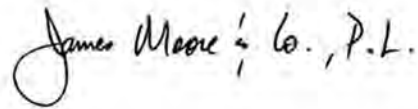
To the Honorable Board of Governors of
St. Johns River Water Management District:

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, 2022. 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, 2022, 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 attestation standards for a direct examination engagement established by the American Institute of Certified Public Accountants. Those standards require that we obtain reasonable assurance about whether the District complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2022, 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. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, in all material respects, 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, 2022.



Daytona Beach, Florida
March 29, 2023

**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, 2022, and have issued our report thereon dated March 29, 2023.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of 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 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 March 29, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

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 noted the following recommendations:

2022-003 – Budgetary Noncompliance

We noted the fixed capital outlay and debt services expenditures of the operations and maintenance of land and works major expenditure program category of the General Fund exceeded budgeted amounts, resulting in the District not being within legal budgetary compliance. While the leasing transactions which caused the over expenditure were approved, no respective budget amendments were made to adjust for the additional expenditures. To avoid such instances in the future, we recommend the District actively monitor budget-to-actual comparisons of expenditures throughout the year and ensure any necessary budget amendments are brought to the District Board of Governors on a timely basis.

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: 483
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year: 37
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of

contingency: \$44,341,214

- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$6,397,884
- 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. Orlando Utilities Commission High Efficiency Toilet and Irrigation Controller Rebates - \$67,175
 - 2. Refurbish Harris Bayou Gates - \$76,350
 - 3. Orange Bend Harvesting, Inc. Irrigation Retrofit - \$76,507
 - 4. John M. Seay Farms Inc. Precision Fertilizer Equipment and Land Leveling - \$81,610
 - 5. May and Whitaker BB LLC Irrigation Retrofit and Precision Fertilizer Equipment - \$85,520
 - 6. Cherrylake Irrigation System Installation and Weather Station - \$90,197
 - 7. Lake Apopka North Shore Phase 5 Levee Improvements - \$93,361
 - 8. Tater Farms Precision Ag Equipment with Global Positioning System - \$93,800
 - 9. Lake Apopka Wildlife Drive – Inceptor Road - \$95,498
 - 10. L-512 Levee Regrading in Indian River County - \$101,680
 - 11. Boardwalk Farms Irrigation and Conversion and Precision Fertilizer - \$113,210
 - 12. Refurbish the Lake Washington Airboat Cross-over and Infrastructure - \$121,162
 - 13. Emerala Marsh Conservation Area 1 Hydrologic Improvements - \$125,250
 - 14. County Road 512 Recreation Pad Parking Lot - \$142,962
 - 15. Island Grove Irrigation Retrofit - \$149,403
 - 16. JEA Low-Income Water Efficient Toilet Exchange Phase 2 - \$150,045
 - 17. Resurface Fellsmere Grade Recreation Area Parking Lot - \$156,553
 - 18. Airboat Crossing Rehabilitation - \$161,280
 - 19. City of Mount Dora – Overlook Baffle Box Number 1 on Lake Gertrude - \$163,801
 - 20. Lake Gem Sensors, Leveling System, Trailer, Monitor, and Auto Steering System - \$172,356
 - 21. North Peninsula State Park Restoration Project - \$179,103
 - 22. Ocklawaha Prairie Levee - \$183,527
 - 23. Lake County Board of County Commissioners – Lake Joanna Stormwater Enhancements - \$187,322
 - 24. Gainesville Regional Utilities Targeted Septic-to-Sewer - \$193,000
 - 25. Volusia County Smyrna Dunes Park Septic-to-Sewer - \$196,114
 - 26. City of Jacksonville Beach Penman Road Septic Tank Phase-Out - \$198,823
 - 27. Blandford Turf Irrigation Conversion - \$199,297
 - 28. Remove/Mulch Canal Vegetation - \$212,975
 - 29. Sawgrass Lake Pump Station – South Rehabilitation - \$213,529
 - 30. Pump Management/Remote Gate Operations - \$230,352
 - 31. Sun Ag LLC Conversion to Surface Water and Irrigation Retrofit - \$250,544
 - 32. Tater Farms Precision Fertilizer - \$275,810
 - 33. Lake Washington Alternative Water Supply Infrastructure - \$281,373
 - 34. Indian River Shores Indian/Seminole Lane Treatment Train - \$286,744
 - 35. Ocean Research and Conservation Association Satellite Algae Bloom and Nutrient Source Tracking - \$291,000
 - 36. City of Orange City Alternative Water Supply Conveyance System – Monastery Road - \$304,594
 - 37. City of Titusville High School Baffle Box - \$332,800
 - 38. C.P. and Wesley Smith Irrigation Drain Tile Conversion Phase 9 – \$334,929
 - 39. McGregor’s Greens LLC Irrigation Conversion - \$344,124

40. Brevard County Oak Point Mobile Home Park Sanitary Sewage System - \$350,000
41. City of New Smyrna Beach Canal C-05 Diversion Structure and Offsite Pond - \$352,443
42. Treesap Farms, LLC. Irrigation Retrofit - \$372,120
43. C.P. Wesley Smith Irrigation Drain Tile Conversion Phase 10 - \$388,982
44. City of Apopka Individual Distributed Wastewater Treatment Systems Conversion Project - \$392,500
45. Putnam County Elsie and Horse Landing Road Septic-to-Sewer Phase III (REDI 21-22) - \$450,000
46. Volusia County Ariel Canal Water Quality Improvement - \$450,000
47. City of Casselberry South Water Treatment Plant Well Number 1 Modification - \$455,000
48. City of Edgewater Reclaimed Extension to Meadow Lake and Woodbridge Subdivision - \$459,442
49. City of Bunnell Sewer Slip Lining Rehabilitation – Phase 4 (REDI 21-22) - \$471,620
50. City of Cocoa Beach Convair Cove Low Impact Development (LID) and Living Shoreline - \$507,072
51. Volusia Blue Wetland Recharge Project - \$507,573
52. Lake Apopka Beauclair Canal Levee - \$516,390
53. Tomoka River Riparian Habitat Protection Zone - \$577,701
54. Moss Bluff Drum and Cable - \$611,602
55. Walkways/Platforms in Support of Data Collection - \$631,144
56. Abandoned Artesian Well Plugging - \$670,936
57. Marion County – CP 79 Silver Springs Shore Unit 68 Innovative Stormwater Retrofit - \$672,097
58. Lake Apopka Unit 2 Pump Station Rehabilitation - \$683,345
59. City of Sebastian Roseland Road Septic-to-Sewer - \$707,409
60. Southlake Utilities Alternative Water Source for irrigation - \$726,205
61. Town of Penney Farms Stormwater Management - \$728,519
62. City of Palatka Potable Water Improvements Phases 4 and 7 – Rural Economic Development Initiative/Innovative Program - \$742,230
63. Town of Ponce Inlet Septic-to-Sewer - \$807,206
64. Slipline Piping at Fellsmere Grade - \$827,464
65. City of Debary Woodbound Lake to Lake Charles Outfall Improvements - \$851,588
66. Miscellaneous Infrastructure Improvements - \$853,586
67. City of Deland Alabama Ave Reclaimed Water Main Extension - \$870,585
68. Marion County – CP 75 Silver Springs Shores Unit 23 Innovative Stormwater Retrofit - \$1,004,857
69. Florida Power and Light Company Okeechobee Clean Energy Center – Upper Floridan Aquifer to Avon Park Permeable Zone Conversion - \$1,009,974
70. Orange County Environmental Protections Division Lake Pineloch Water Quality Improvement: Nutrient Separating Baffle Box – Upflow Filter and Alum Treatment - \$1,010,704
71. Brevard Zoo Clam Restoration - \$1,031,021
72. City of West Melbourne Ray Bullard Water Resources Facility Stormwater Management Area - \$1,088,915
73. Infrastructure Rehabilitation and Improvements - \$1,158,768
74. Brevard County South Central Zone C Septic-to-Sewer - \$1,116,820
75. Lake Jesup Nutrient Reduction and Flow Enhancement Project - \$1,200,576
76. Putnam County Horse Landing and Elsie Drive Septic-to-Sewer – Rural Economic Development Initiative/Innovative Program - \$1,279,375
77. Town of Oakland Hull Avenue Septic-to-Sewer - \$1,312,030
78. Clay County Authority – Doctors Lake Septic Tanks to Centralized Sewer Conversion -

- \$1,500,000
79. Levee Repairs - \$1,505,248
 80. Half mile Creek Tract - \$1,593,866
 81. City of Palatka Permeable Paving Improvements – Rural Economic Development Initiative/Innovative Program 0 \$1,650,000
 82. Intact Cellular Algae Harvesting with Simultaneous Nutrient Export in Lake Jesup - \$1,696,600
 83. Lake Minneloa Lake Guard Technology - \$1,723,055
 84. City of Sanford Brackish Reserve Osmosis Water Treatment Plant Pilot - \$1,941,043
 85. Lake Apopka Lake Level Canal Interconnection - \$1,987,594
 86. Seminole County Little Wekiva River Restoration Project - \$2,000,000
 87. Equity Lifestyles Properties Spanish Oaks Water Quality Improvement Project - \$2,065,230
 88. City of Satellite Beach Lori Laine Trunk Line Improvement Project - \$2,237,868
 89. Marion County U.S. 441 Sewer Force Main - \$2,484,920
 90. Town of Oak Hill Indian Harbor Estates Sewer Retrofit - \$2,500,000
 91. City of St. Augustine Beach Mizell Road Stormwater Pump Station and Outfall Improvements - \$2,528,281
 92. Lake Apopka Marsh Flow-Way Improvements - \$2,697,984
 93. S-96 Rehabilitation - \$2,759,654
 94. Equity Lifestyles Properties Oak Bend/I-75 Water Quality Improvement Project - \$3,020,073
 95. Volusia County Gabordy Canal and 10th Street Stormwater Treatment Project - \$3,026,177
 96. City of DeLand North West Reclaimed Water Ground Storage Tank and Pump Station - \$3,052,865
 97. Clay County Utility Authority Wastewater Treatability Study - \$3,300,000
 98. City of Longwood East Longdale Septic Tank Abatement Project - \$3,338,461
 99. Indian River County Moorhen Marsh Low Energy Aquatic Plant System - \$4,102,910
 100. City of DeLand Reclaimed Water System Expansion Phase 4A and Adelle Avenue Project - \$4,151,084
 101. Clay County Utility Authority Saratoga Springs Reclaimed Water Storage and Pumping Station - \$4,530,000
 102. City of Apopka West Reuse Storage Facility and Reclaimed Water System Extension - \$4,584,150
 103. City of Mascotte Lower Floridian Aquifer Wellfield – South Lake County Wellfield Project - \$4,864,392
 104. S-157 Rehabilitation - \$4,939,250
 105. Doctors Lake Advanced Effluent Treatment – Fleming Island Wastewater Treatment Facility - \$5,075,000
 106. Volusia County Wastewater Infrastructure for Blue Springs - \$5,172,042
 107. City of Umatilla Wastewater Interconnection Pipeline – Rural Economic Development Initiative/Innovative Program - \$5,366,916
 108. JEA Twin Creeks Reclaimed Water Storage and Delivery - \$5,404,287
 109. Brevard County Grand Canal Muck Removal - \$5,788,041
 110. Indian River County – North Sebastian Septic-to-Sewer Project Phase 2 - \$5,841,930
 111. City of Green Cove Springs Harbor Road Water Reclamation Facility Phase 2 - \$5,890,000
 112. Lake Apopka Innovative Total Phosphorus Removal - \$6,475,000
 113. City of Cocoa Beach Much Removal Phase 2b - \$7,290,671
 114. City of Rockledge Flow Equalization Basin Project - \$7,669,000
 115. South Florida Water Management District Indian River Lagoon Cost-share - \$8,303,928
 116. Orange County Wekiwa Springs Septic Tank Retrofit Project Phase 1 - \$9,600,000

- 117. City of Ocala Lower Floridan Aquifer Conversion (All Phases) - \$10,858,811
- 118. City of Titusville Osprey Water Reclamation Nutrient Removal Upgrade - \$11,900,000
- 119. City of Deltona Alexander Avenue Water Resources Facility Project 4B - \$14,279,000
- 120. Dispersed Water Storage/Nutrient Reduction Pilot Project with Fellsmere Joint Venture - \$16,155,000
- 121. Bayard Point Land Acquisition-Resiliency - \$17,000,000
- 122. Land Purchases and Support Services - \$19,072,505
- 123. City of Jacksonville McCoys Creek Improvements - \$19,500,000
- 124. Crane Creek M-1 Canal Flow Restoration - \$21,500,000
- 125. C-10 Water Management Area Project - \$41,701,585
- 126. Taylor Creek Reservoir Improvements - \$60,701,339
- 127. Black Creek Water Resource Development Project - \$117,276,337

- 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 \$296,656,461 and was amended by the total amount of \$0, for final budgeted expenditures of \$296,656,461.

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: 0.2189
- b) The total amount of ad valorem taxes collected by or on behalf of the district: \$93,071,990
- 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

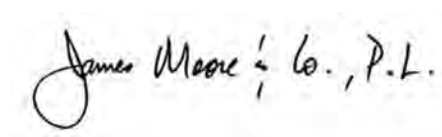
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention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

St. Johns River Water Management District's Response to Findings

The District's responses to the findings identified in our audit are described starting on page 145. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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, flowing style.

Daytona Beach, Florida
March 29, 2023



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

March 29, 2023

James Moore & Co., P.L.
Daytona Beach, Florida 32607

Response to the management letter comments for fiscal year 2021-2022 are shown below:

2022-003 – Budgetary Noncompliance

Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we noted the following recommendations:

Recommendation: We noted the fixed capital outlay and debt services expenditures of the operations and maintenance of land and works major expenditure program category of the General Fund exceeded budgeted amounts, resulting in the District not being within legal budgetary compliance. While the leasing transactions which caused the over expenditure were approved, no respective budget amendments were made to adjust for the additional expenditures. To avoid such instances in the future, we recommend the District actively monitor budget-to-actual comparisons of expenditures throughout the year and ensure any necessary budget amendments are brought to the District Board of Governors on a timely basis.

Management Response: The District concurs with the recommendation. The District has made the lease calculations for the next fiscal year and has assured budgetary appropriation compliance for the future. The District will make all GASB #87 lease calculations for any new leases as soon as the leases are executed.

GOVERNING BOARD

Rob Bradley, CHAIR
FLEMING ISLAND

Ryan Atwood
MOUNT DORA

Maryam H. Ghyabi-White, VICE CHAIR
ORMOND BEACH

Doug Bourmique
VERO BEACH

J. Chris Peterson, SECRETARY
WINTER PARK

Douglas Burnett
ST. AUGUSTINE

Cole Oliver
MERRITT ISLAND

Ron Howse, TREASURER
COCOA

Janet Price
FERNANDINA BEACH



St. Johns River Water Management District
Office of Financial Services
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