

SUWANNEE RIVER WATER MANAGEMENT DISTRICT

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
TABLE OF CONTENTS
SEPTEMBER 30, 2023**

	Page
FINANCIAL SECTION	
List of Principal Officials	4
Independent Auditor's Report	5
Management's Discussion and Analysis	9
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	16
Statement of Activities	17
Governmental Funds	
Balance Sheet	18
Statement of Revenues, Expenditures and Changes in Fund Balances	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	20
Notes to the Financial Statements	21
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	51
Land Management and Operations Fund	52
District Special Revenue Fund	53
State Special Revenue Fund	54
Federal Special Revenue Fund	55
Note to Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Major Governmental Funds	56
Schedule of Proportionate Share of Net Pension Liability	57
Schedule of Contributions Florida State Retirement System and Health Insurance Subsidy Program	58
Schedule of Changes in the Total OPEB Liability	59
Notes to the Required Supplementary Information	60
SINGLE AUDIT SECTION	
Schedule of Expenditures of Federal Awards and State Financial Assistance	65
Note to Schedule of Expenditures of Federal Awards and State Financial Assistance	68
SUPPLEMENTARY INFORMATION	
Combining Balance Sheet - Sub Funds	
District Special Revenue Fund	70
State Special Revenue Fund	71
Federal Special Revenue Fund	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Sub Funds	
District Special Revenue Fund	73
State Special Revenue Fund	74
Federal Special Revenue Fund	75
ADDITIONAL REPORTS	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	77
Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance Required by the <i>OMB Uniform Guidance</i>	79
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major State Project and on Internal Control over Compliance in Accordance with Chapter 10.550, <i>Rules of the Auditor General</i> , Office of the Auditor General	82
Schedules of Findings and Questioned Costs	85
Management Letter	87
Independent Accountant's Report	91
Communication with Those Charged with Governance	92

FINANCIAL SECTION

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT OFFICIALS
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2023**

Chair	Virginia H. Johns
Vice Chair	Richard Schwab
Secretary-Treasurer	Charles Keith
Board Members	William Lloyd Larry Sessions Harry Smith Larry Thompson
Executive Director	Hugh Thomas



Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITOR'S REPORT

April 9, 2024

To the Honorable Board of Governors
Suwannee River Water Management District

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Suwannee River Water Management District (the District) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of September 30, 2023, and the respective changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Adoption of New Accounting Pronouncements and Related Adjustments

As discussed in Note 1, effective October 1, 2022, the District has adopted the provisions contained in the Statements of Governmental Accounting Standards (SGAS) No. 96, *Subscription-Based Information Technology Arrangements* and No. 101, *Compensated Absences*. The implementation of SGAS No. 101 has also resulted in a restatement of prior period balances. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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 aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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, budgetary comparison information, and other post-employment benefits plan and pension-related schedules 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.

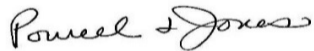
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and Section 215.97, Florida Statutes, *Florida Single Audit Act*; Chapter 10.550, Rules of the State of Florida, Office of the Auditor General is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The 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.



Powell & Jones CPA
Lake City, Florida
April 9, 2024

Management's Discussion and Analysis

As management of the Suwannee River Water Management District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended September 30, 2023.

Financial Highlights

The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$248,726,851 (net position).

The District's total net position increased by \$2,177,990.

As of the close of the 2022-2023 fiscal year, the District's governmental funds reported combined ending fund balances of \$37,325,752, an increase of \$2,380,363 in comparison with the prior year.

At the end of the 2022-2023 fiscal year the unassigned balance for the General Fund was \$10,402,941.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements report functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include Water Resource Planning and Monitoring, Land Acquisition, Restoration, and Public Works, Operation and Maintenance of Lands and Works, Regulation, Outreach, and Management and Administration.

The government-wide financial statements include only the District, a component unit of the State of Florida.

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 Suwannee River Water Management District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are in one category: governmental funds.

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 end of the fiscal year. 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 between governmental funds and governmental activities.

The District maintains five 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, Land Management and Operations Fund, District Special Revenue Fund, State Special Revenue Fund, and Federal Special Revenue Fund; each of which is considered to be a major fund, except the Federal Special Revenue Fund.

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.

Required and supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's budgetary comparison for its major funds, the Schedule of Changes in the Total Other Post Employment Benefit Liability, and the Schedule of Proportionate Share Net Pension Liability and Schedule of Contributions. The District adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund and each major fund to demonstrate compliance with this budget.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of District, assets exceeded liabilities by \$248,726,851 at the close of the most recent fiscal year.

By far the largest portion of the District's net position (87 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment). The District uses these capital assets to protect the water resources of the District; consequently, these assets are not available for future spending.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT'S NET POSITION

	2023	2022 (Restated)
Current and other assets	\$ 41,676,742	\$ 41,270,144
Capital assets:		
Land and other improvements	215,215,763	214,395,331
Other capital assets, net of depreciation	2,235,017	2,163,318
Total assets	<u>259,127,522</u>	<u>257,828,793</u>
Deferred outflows	<u>1,339,221</u>	<u>1,637,091</u>
Current liabilities	5,088,492	7,041,215
Noncurrent liabilities	6,108,737	5,592,227
Total liabilities	<u>11,197,229</u>	<u>12,633,442</u>
Deferred inflows	<u>542,663</u>	<u>283,581</u>
Net position		
Invested in capital assets, net of related debt	217,450,780	216,558,649
Restricted for land acquisition, restoration, and public works	11,471,193	10,190,936
Restricted for water resource planning and monitoring	968,909	11,333,571
Unrestricted	18,835,969	8,465,705
Total net position	<u>\$ 248,726,851</u>	<u>\$ 246,548,861</u>

An additional portion of the District's net position (5%) represents resources that are subject to external restrictions on how they may be used.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT CHANGE IN NET POSITION

	<u>2023</u>	<u>2022 (Restated)</u>
Revenues:		
Program revenues:		
Charges for services	\$ 311,349	\$ 278,275
Operating grants and contributions	8,149,658	12,339,078
Capital grants and contributions	6,908,573	2,409,486
General revenues:		
Property taxes	6,666,695	6,464,859
Other income	2,714,717	3,321,060
Unrestricted investment earnings	878,974	315,669
Gain/(Loss) on disposal of assets and conveyance	3,138	(2,147,322)
Change in fair value of investments	1,479,534	(2,622,250)
Total revenues	<u>27,112,638</u>	<u>20,358,855</u>
Expenses:		
Water resource planning and monitoring	6,967,620	6,375,639
Land acquisition, restoration, and public works	9,372,871	9,237,506
Operation and maintenance of lands and works	4,685,633	4,019,456
Regulation	1,801,301	1,475,039
Outreach	270,420	202,511
Management and administration	1,836,803	1,549,993
Total expenses	<u>24,934,648</u>	<u>22,860,144</u>
Increase (decrease) in net position	2,177,990	(2,501,289)
Net position, beginning of year	<u>246,548,861</u>	<u>249,050,150</u>
Net position, end of year	<u>\$ 248,726,851</u>	<u>\$ 246,548,861</u>

Governmental activities. Governmental activities increased District's net assets by \$2,177,990. Key elements of this increase can be attributed to the modest increase in property taxes received and the significant change in the fair value of investments held by the District. The reconciliation statements on pages 29-33 details the relationship between the government-wide financial statements and the governmental fund statements.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental 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.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$37,325,752, an increase of \$2,380,363 from the prior year. Approximately 28% of the total combined ending fund balance constitutes unassigned fund balance which is available for spending at the District's discretion. The remainder of fund balance is restricted, indicating that it is not available for general spending.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$10,402,941, while total fund balance reached \$16,928,545. Total unassigned fund balance represents 134% of total General Fund expenditures.

During the current fiscal year, the fund balance of the District's General Fund increased by \$907,663. The key factor in this increase was the change in the fair value of investments. The impact of the change was, however, lessened by \$2 million in transfers out to the District Special Revenue Fund.

The Land Acquisition and Management Fund had a total Fund Balance of \$5,819,682. The majority of the \$1,382,181 increase in this fund in the current year was attributable to timber revenue.

The District Special Revenue Fund had a total fund balance of \$7,957,105.

The State Special Revenue Fund had a total fund balance of \$6,620,420. The purchase of land in this fund played a pivotal role in the observed decrease of \$600,255 from the prior year.

The Federal Special Revenue Fund had a total fund balance of \$0. This fund is continually supported by intergovernmental revenue.

Budgetary Highlights

General Fund

During the year salaries and benefits were \$467,098 less than amounts budgeted, and contractual services were \$1,309,368 less than budgeted. Operating expenditures were \$ 346,608 less than budgeted and intergovernmental expenditures were \$394,092 under the budgeted amount.

Land Acquisition and Management Fund

During the year there was a total of \$1,847,821 less in expenditures overall than what was budgeted.

District Special Revenue Fund

During the year there was a total of \$3,724,715 less in expenditures overall than what was budgeted.

State Special Revenue Fund

During the year there was a total of \$21,614,179 less in expenditures overall than what was budgeted.

Federal Special Revenue Fund

During the year there was a total of \$16,731,372 less in expenditures overall than what was budgeted.

Capital Asset Administration

Capital assets. The District's investment in capital assets as of September 30, 2023, amounts to \$217,450,780 (net of accumulated depreciation and amortization). This investment in capital assets includes land, land improvements, conservation easements, buildings, vehicles, office equipment, field equipment and computer equipment.

Economic Factors and Next Year's Budgets and Rates

Changing economic conditions has required the District to adopt new budgeting strategies. The District must accomplish statutory priorities with less discretionary revenue available.

Factors that influence the District's fiscal year 2023-2024 budget include:

State of Florida's focus on water quality, conservation, and restoration of the State's aquifer.

Developing an operational budget that fits the anticipated level of expenditures needed to accomplish District priorities.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Suwannee River Water Management District, 9225 CR 49, Live Oak, FL 32060.

BASIC FINANCIAL STATEMENTS

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
STATEMENT OF NET POSITION
For the Fiscal Year Ended September 30, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 310,350
Investments	40,015,202
Accounts receivable	201,637
Intergovernmental receivables	1,123,949
Prepaid expenses	25,604
Right-to-use subscription asset, net	157,716
Capital assets not being depreciated	
Land	215,215,763
Capital assets, net of accumulated depreciation	
Buildings	1,528,369
Equipment	548,932
Total fixed assets, net	217,293,064
Total assets	259,127,522
DEFERRED OUTFLOWS OF RESOURCES	
Other post employee benefits	13,557
Pension obligations	1,325,664
	1,339,221
LIABILITIES	
Accounts payable	1,901,194
Accrued liabilities	401,970
Interest payable	720
Unearned revenues	1,215,582
Damage deposits	82,500
Performance deposits	749,024
Subscription liability, due within one year	78,693
Compensated absences, due within one year	168,320
Other post employment benefits, due within one year	17,845
Net pension liability, due within one year	472,644
Noncurrent liabilities	
Subscription liability, due in more than one year	85,185
Compensated absences, due in more than one year	487,027
Other post employment benefits, due in more than one year	101,122
Net pension liability, due in more than one year	5,435,403
Total liabilities	11,197,229
DEFERRED INFLOWS OF RESOURCES	
Pension obligations	542,663
	542,663
NET POSITION	
Net investment in capital assets	217,450,780
Restricted for:	
DOT ETDM	39,317
Water Management Lands Trust Fund -Springs	7,261
Land Management	5,455,463
Surplus Lands Funds	364,219
DOT Mitigation Projects	597,334
Suwannee River Partnership Projects	298,401
Land Acquisition - PCS Mitigation	5,651,511
Alternative Water Supply	26,596
Unrestricted	
Project Effectiveness Metrics	366,494
RIVER Cost-Share	2,318,317
Agricultural Cost-Share	1,543,092
Regional Water Resource Projects	3,729,202
Economic Stabilization Reserve	2,600,000
Operating Liquidity Reserve	3,900,000
General Fund Operations	4,378,864
Total net position	\$ 248,726,851

See notes to the financial statements.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental activities:					
Water resource planning and monitoring	6,967,620	550	4,621,875	298,210	(2,046,985)
Land acquisition, restoration, and public works	9,372,871	-	150,000	6,610,363	(2,612,508)
Operation and maintenance of lands and works	4,685,633	-	2,398,228	-	(2,287,405)
Regulation	1,801,301	310,799	692,555	-	(797,947)
Outreach	270,420	-	-	-	(270,420)
Management and administration	1,836,803	-	287,000	-	(1,549,803)
Total governmental activities	24,934,648	311,349	8,149,658	6,908,573	(9,565,068)

General Revenues	
Property taxes	6,666,695
Timber sales	2,528,013
Interest income	878,974
Other income	186,704
Increase in fair value of investments	1,479,534
Gain on disposal of assets and conveyance	3,138
Total general revenues	11,743,058
Change in net position	2,177,990
Net position at beginning of year, restated	246,548,861
Net position at end of year	248,726,851

See notes to the financial statements.

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2023**

	Special Revenue Funds					Total Governmental Funds
	General Fund	Land Management & Operations Fund	District Fund	State Fund	Federal Fund	
Assets						
Cash and cash equivalents	\$ 310,350	\$ -	\$ -	\$ -	\$ -	\$ 310,350
Investments	40,015,202	-	-	-	-	40,015,202
Receivables	79,903	121,589	145	-	-	201,637
Intergovernmental receivables	8,105	-	-	957,591	158,253	1,123,949
Prepaid items	25,604	-	-	-	-	25,604
Due from other funds	-	6,190,047	8,183,888	7,979,355	-	22,353,290
Total assets	\$ 40,439,164	\$ 6,311,636	\$ 8,184,033	\$ 8,936,946	\$ 158,253	\$ 64,030,032
Liabilities						
Accounts payable	\$ 440,381	\$ 385,218	\$ 226,928	\$ 782,367	\$ 66,300	\$ 1,901,194
Accrued liabilities	401,970	-	-	-	-	401,970
Interest payable	-	-	-	720	-	720
Unearned revenue	-	106,736	-	1,108,846	-	1,215,582
Due to other funds	21,836,744	-	-	424,593	91,953	22,353,290
Damage deposits	82,500	-	-	-	-	82,500
Performance deposits	749,024	-	-	-	-	749,024
Total liabilities	23,510,619	491,954	226,928	2,316,526	158,253	26,704,280
Fund balances						
Nonspendable						
Prepaid expenses	25,604	-	-	-	-	25,604
Restricted for:						
Land Management	-	5,455,463	-	-	-	5,455,463
Surplus Land Funds	-	364,219	-	-	-	364,219
Alternative Water Supply	-	-	-	26,596	-	26,596
Water Management Lands Trust Fund	-	-	-	7,261	-	7,261
DOT ETDM	-	-	-	39,317	-	39,317
DOT Mitigation Projects	-	-	-	597,334	-	597,334
Suwannee River Partnership Projects	-	-	-	298,401	-	298,401
Land Acquisition - PCS Mitigation	-	-	-	5,651,511	-	5,651,511
Committed for:						
Project Effectiveness Metrics	-	-	366,494	-	-	366,494
Agricultural Cost-Share	-	-	1,543,092	-	-	1,543,092
Regional Water Resource Projects	-	-	3,729,202	-	-	3,729,202
RIVER Cost-Share	-	-	2,318,317	-	-	2,318,317
Economic Stabilization Reserve	2,600,000	-	-	-	-	2,600,000
Assigned Operating Liquidity Reserve	3,900,000	-	-	-	-	3,900,000
Unassigned, general fund operations	10,402,941	-	-	-	-	10,402,941
Total fund balances	16,928,545	5,819,682	7,957,105	6,620,420	-	37,325,752
Total liabilities and fund balance	\$ 40,439,164	\$ 6,311,636	\$ 8,184,033	\$ 8,936,946	\$ 158,253	\$ 64,030,032

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

Capital assets used in governmental activities are not available financial resources and, therefore, are not reported in the funds	217,450,780
Deferred outflows/inflows are not available resources and, therefore, are not reported in the funds.	796,558
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(6,846,239)
Net position of governmental activities	\$ 248,726,851

See notes to the Financial Statements.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2023

	General Fund	Management & Operations Fund	District Fund	State Fund	Federal Fund	Total Governmental Funds
Revenues						
Ad valorem taxes	\$ 5,525,527	\$ 1,141,168	\$ -	\$ -	\$ -	\$ 6,666,695
Intergovernmental revenue	2,740,000	2,398,228	-	8,563,395	1,356,608	15,058,231
License and permit fees	310,799	-	-	-	-	310,799
Charges for services	-	550	-	-	-	550
Timber revenue	-	2,528,013	-	-	-	2,528,013
Other income	141,960	44,744	-	-	-	186,704
Interest income	701,186	-	-	177,788	-	878,974
Increase in fair value investment	1,217,143	-	-	262,391	-	1,479,534
Total revenues	10,636,615	6,112,703	-	9,003,574	1,356,608	27,109,500
Expenditures						
General government						
Water resource planning and monitoring	3,194,889	-	60,100	2,257,305	1,020,843	6,533,137
Land acquisition, restoration, and public works	1,064,353	3,574	1,249,126	6,536,117	335,765	9,188,935
Operation and maintenance of lands and works	-	4,449,336	-	-	-	4,449,336
Regulation	1,607,871	-	-	-	-	1,607,871
Outreach	239,908	-	-	-	-	239,908
Management and administration	1,609,834	-	-	-	-	1,609,834
Capital outlay	41,597	277,612	-	780,907	-	1,100,116
Total general government expenditures	7,758,452	4,730,522	1,309,226	9,574,329	1,356,608	24,729,137
Excess (deficiency) of revenues over (under) expenditures	2,878,163	1,382,181	(1,309,226)	(570,755)	-	2,380,363
Other financing sources (uses)						
Transfers in	29,500	-	2,000,000	-	-	2,029,500
Transfers out	(2,000,000)	-	-	(29,500)	-	(2,029,500)
Total other financing sources (uses)	(1,970,500)	-	2,000,000	(29,500)	-	-
Net change in fund balance	907,663	1,382,181	690,774	(600,255)	-	2,380,363
Fund balance at beginning of year	16,020,882	4,437,501	7,266,331	7,220,675	-	34,945,389
Fund balance at end of year	\$ 16,928,545	\$ 5,819,682	\$ 7,957,105	\$ 6,620,420	\$ -	\$ 37,325,752

See notes to the financial statements.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended September 30, 2023

Net change in fund balances - total governmental funds		\$ 2,380,363
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.		
Expenditures for capital assets	1,100,116	
Less current year depreciation/amortization	(447,697)	
Purchases of subscription assets	<u>236,574</u>	888,993
 The net effect of various miscellaneous transactions involving assets (i.e., contributions, sales, conveyance, and disposals) is to decrease net assets.		
Gain on disposal of fixed assets, net	<u>3,138</u>	3,138
 Some expenditures reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds. Also, recognition of certain obligations related to prior and subsequent periods are not recognized in governmental funds but are recognized in the statement of activities.		
Recognition of changes in deferred inflows and outflows of resources:		
Florida State Retirement Pension	(556,251)	
OPEB	(701)	
Recognition of changes in long-term debt:		
Compensated absences	(42,448)	
OPEB liability	10,928	
Net pension liability	(342,154)	
Subscription liability	<u>(163,878)</u>	<u>(1,094,504)</u>
 Change in net position of governmental activities		<u>\$ 2,177,990</u>

See notes to the financial statements.

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Suwannee River Water Management District (the District) was established by the Florida Water Resources Act of 1972, Chapter 72-299, Laws of Florida, and operates under Chapter 373, *Florida Statutes*. It was the State of Florida Legislature's stated intent in establishing the District, and other Districts, to provide for the management of water and related land resources, promote the conservation, development, and proper utilization of surface and ground water, develop and regulate dams, impoundments, reservoirs, and other works and to provide water storage for beneficial purposes; prevent damage from floods, soil erosion, and excessive drainage, preserve natural resources, fish and wildlife; promote recreational development, protect public lands and assist in maintaining the navigability of rivers and harbors and otherwise promote the health, safety, and the general welfare of the people of the state.

The District encompasses all or part of fifteen counties in the northeastern part of Florida. There are nine members of the District Governing Board. Each member resides within the District and is appointed by the Governor and confirmed by the Senate. Board members are appointed for a four-year term.

The District's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles generally accepted in the United States of America for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in accounting principles generally accepted in the United States of America and used by the District are discussed below.

A. Financial Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the District as a component unit of the State of Florida. Based on the criteria listed below, the State of Florida is considered a primary government.

A primary government is financially accountable for an organization if (1) it appoints a voting majority of the organization's governing board, (2) it is able to impose its will on the organization or (3) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government. Based upon these criteria, the District is considered to be a component unit of the State of Florida and is disclosed as such in the State of Florida financial statements.

B. Financial Reporting Structure

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements.

Government-wide Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. The focus of the government-wide statements is on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported.

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. Administrative overhead, including centralized expenses, are directly allocated to a specific function and are included in direct expenses. 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 function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Program revenues are netted within program expenses in the statement of activities to present the net cost of each program.

Fund Financial Statements

The emphasis of fund financial statements is on the District's major funds, each presented in a separate column.

The District's transactions are recorded in the following fund types:

The General Fund is the principal operating fund used to account for most of the District's general activities.

Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

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 required to be accounted for in another fund.

The Land Management and Operations Fund accounts for timber transactions, land use charges, acquisitions and surplus, fleet and facilities, and funds appropriated by the State of Florida legislature for the purpose of land management: maintenance, capital improvements of land titled to the District, and payments in lieu of taxes.

The District Special Revenue Fund was created to consolidate similar accounting funds that were established by the Governing Board's commitment of fund balance for a specific use. Those accounting funds consolidated into the District Special Revenue Fund include the Agricultural Cost-Share program, Regional Initiative Valuing Environmental Resources ("RIVER") Cost-Share program, Project Effectiveness Metrics, and Regional Water Resource Development.

The State Special Revenue Fund was created to consolidate similar accounting funds that were established to account for programs funded by the State of Florida for a specific purpose. Those accounting funds consolidated into the State Special Revenue Fund include the Alternative Water Supply Program ("AWS"), Water Protection and Sustainability Program Grants ("WPSP"), Spring Appropriation Grants, Water Management Lands Trust Fund - Springs Appropriation, Florida Forever/Preservation 2000, DOT - Environmental Transportation Decision Making ("ETDM") Grant, DOT Mitigation Grants, Minimum Flows and Minimum Water Levels ("MFL") Appropriations, Suwannee River Partnership Program, Land Acquisition from Mitigation Funds, and Other State Reimbursable Grants.

The Federal Special Revenue Fund was created to consolidate similar accounting funds that were established to account for programs funded by Federal grants for a specific purpose. Those accounting funds consolidated into the Federal Special Revenue Fund include FEMA Risk Map Program Grants, and other Federal Reimbursable Grant programs.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, entitlements, and donations. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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.

As a general rule, the effect of interfund activity has been eliminated from the government wide financial statements.

D. New Accounting Pronouncements

In May 2020, the Governmental Accounting Standards Board issued Statement of Governmental Accounting Standards (SGAS) No. 96 *Subscription-Based Information Technology Arrangements*. SGAS No. 96 defines a Subscription-Based Information Technology Arrangement (SBITA) and requires the recognition by government end users (governments) of right-to-use subscription assets and subscription liabilities that arise from material SBITA transactions, except for SBITAs with a term of 12 months or less. The government's accounting model under SGAS No. 96 results in SBITAs with a term of more than 12 months being accounted for in substantially the same manner as the existing accounting for leases under SGAS No. 87. SGAS No. 96 also requires additional note disclosures regarding SBITAs. The District adopted the provisions of SGAS No. 96 as of October 1, 2022. Coinciding with the implementation of SGAS No. 96, the District added SBITAs to its capitalization policy that was established for leases when SGAS No 87 was implemented. This policy aligns the treatment of SBITAs and leases with the treatment of the District's other capitalizable assets. The terms of this policy will be further discussed later in Note 1. The implementation of SGAS No. 96 did not result in restatement of the prior year's net asset, however, it does impact the District's government-wide financial statements going forward.

In June 2022, the Governmental Accounting Standards Board issued SGAS No. 101, *Compensated Absences*. Under SGAS No. 101, compensated absences must be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. Unused leave includes leave for services already rendered, leave that accumulates, and leave that more likely than not will be used for time off or paid to the employee at some point in the future. Additionally, governments are now able to report year-over-year increases and decreases in compensated absences net of each other and disclose them in one lump sum in the notes to the financial statements. The District adopted the provisions of SGAS No. 101 as of October 1, 2022. As a result of the implementation of this standard, the District's government-wide net assets have been restated for the periods ending September 30, 2021 and 2022, respectively. The full impact of this change has been further discussed in the Prior Period Adjustment paragraph that is later in Note 1.

E. Accounting and Financial Reporting for Pensions

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, requires the District to recognize as a liability their long-term obligation for pension benefits. The District's liability is to be measured as the difference between the present value of projected benefit payments to be provided through the pension plan for past periods of service less the amount of the pension plan's fiduciary net position. Obligations for the District's cost sharing plans are based on their proportionate share of contributions to the pension plan. The standard also requires immediate recognition of annual service cost, interest and changes in benefits for pension expense; specifies requirements for discount rates, attribution methods; and changes disclosure requirements.

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Equity

1. Deposits 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.

State statutes authorize the District to invest in direct obligations of the U.S. Treasury, Local Government Surplus Funds Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1968, SEC registered money market funds with the highest credit quality rating, savings and interest-bearing time deposits, or savings accounts in qualified public depositories.

Investments for the District are reported at fair value. The State of Florida Department of Financial Services Special Purpose Investment Account ("SPIA") operates in accordance with appropriate State laws and regulations. As a SPIA participant, the District invests in pools of investments whereby the District owns a share of the respective pool, not the underlying securities.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available resources.

All receivables are shown net of an allowance for uncollectible receivables.

3. 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 .75 mills. The rate for the 2022-2023 fiscal year was .3368 mills. The property assessment and tax collection functions are performed by appropriate officials of county government in each of the fifteen 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* under the following calendar:

Lien Date:	January 1
Levy Date:	October 1
Due Date:	November 1
Delinquency Date:	April 1

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Office equipment	10
Mobile equipment	7
Field equipment	7
Computer equipment	5

The District does not own any infrastructure assets.

6. Capitalization of Leases and Subscription-Based Information Technology Arrangements

In compliance with SGAS No. 87, *Leases*, and No. 96, *Subscription-Based Information Technology Arrangements*, the District must consider the possibility of capitalizing leases and SBITAs whose terms exceed 12 months. This results in both a right-to-use asset and a related liability being reported in the government-wide financial statements. Both the asset and the liability are amortized over their respective term. In order to efficiently record material lease and SBITA transactions, the District has adopted a capitalization policy. According to this policy, leased property and equipment or SBITAs whose asset or liability is amortized at a rate in excess of \$5,000 annually are capitalized and reported on the government-wide financial statements in a manner consistent with the provisions outlined by the Government Accounting Standards Board. Payments made for all other such transactions are recorded as operating expenses. For the year ending September 30, 2023, the District reported no lease assets or liabilities on its government-wide financial statements and a right-to-use subscription asset and subscription liability of \$157,716 and \$163,878, respectively, net of any accumulated amortization.

7. Unearned Revenues

Unearned revenues reported in government-wide financial statements represent unearned timber and grant revenues. The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in governmental fund financial statements represent unearned revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned revenues. At September 30, 2023, the District reported \$1,215,582 in unearned revenues.

8. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay benefits are accrued when incurred in the government-wide financial statements. A portion of the compensated absences liability for these amounts is reported in governmental funds only if it has matured, for example, as a result of employee resignations and retirements. In compliance with SGAS No. 101, an additional portion of the compensated absences liability is accrued for leave that more likely than not will be used for time off or paid to the employee at some point in the future.

9. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District only has two items that qualify for reporting in this category. The first is the deferred charge on pensions in the government-wide statement of net position. Deferred outflows on pensions are recorded when actual earnings on pension plan investments exceed projected earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred outflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the District's proportionate share of net pension liability. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan. Contributions to pension plans made subsequent to the measurement date are also deferred and reduce net pension liability in the subsequent year. The second type of deferred outflow recorded in the financial statements is related to the Other Post-Employment Obligations of the District. This deferred outflow is related to the benefits paid subsequent to year end.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which is related to pensions. Deferred inflows on pension plan investments exceed actual earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred inflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the District's proportionate share of net pension liability. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan.

11. Fund Balances – Governmental Funds

As of September 30, 2023, fund balances of the governmental funds are classified as follows:

Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the District. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the Executive Director may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of September 30, 2023, fund balances are composed of the following:

	<u>Governmental Funds</u>
Nonspendable, Prepaid Expenses	\$ 25,604
Restricted, DOT ETDM	39,317
Restricted, Land Management	5,455,463
Restricted, Surplus Land Funds	364,219
Restricted, DOT Mitigation Projects	597,334
Restricted, Suwannee River Partnership Projects	298,401
Restricted, Alternative Water Supply	26,596
Restricted, Water Management Lands Trust Fund	7,261
Restricted, Land Acquisition - PCS Mitigation	5,651,511
Committed, Project Effectiveness Metrics	366,494
Committed, RIVER Cost-Share	2,318,317
Committed, Agricultural Cost-Share	1,543,092
Committed, Regional Water Resource Projects	3,729,202
Committed, Economic Stabilization Reserve	2,600,000
Assigned, Operating Liquidity	3,900,000
Unassigned, General Fund Operations	10,402,941
	<u>\$ 37,325,752</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

13. Prior Period Restatement

The District's implementation of SGAS No. 101 required restatement of certain final amounts on the government-wide statements of net position and activities as of September 30, 2022. The impact of the implementation of this standard on the prior-year financial statements is as follows:

Management Discussion and Analysis:

Statement of Net Position:

	2022	2022 (Restated)
Liabilities		
Other Liabilities	\$ 6,855,559	\$ 7,041,215
Net position		
Unrestricted net position	8,651,361	8,465,705
Total net position	<u>\$ 246,734,517</u>	<u>\$ 246,548,861</u>

Statement of Activities:

Expenses		
Water resource planning and monitoring	\$ 6,369,332	\$ 6,375,639
Net position		
Net position, beginning of year	249,229,500	249,050,150
Net position, end of year	<u>\$ 246,734,517</u>	<u>\$ 246,548,861</u>

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position.

"Total fund balances" of the District's governmental funds \$37,325,752 differs from "net position" of governmental activities \$248,726,851 reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental funds balance sheet.

Capital related items

When capital assets (property, plant, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the District as a whole.

Cost of capital assets	\$ 222,379,923
Right-to-use subscription asset	236,574
Accumulated depreciation	(5,086,859)
Accumulated amortization	(78,858)
	<u>\$ 217,450,780</u>

Long-term debt transactions

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2023, were:

Compensated absences	\$ (655,347)
Other post-employment benefits	(118,967)
Net pension liability	(5,908,047)
Subscription liability	(163,878)
	<u>\$ (6,846,239)</u>

Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position in a future period while deferred inflows of resources represent an acquisition of net position in a future period and accordingly, are not reported in the governmental fund statements. However, the statement of net position included those deferred outflows/inflows of resources.

Deferred outflows	\$ 1,339,221
Deferred inflows	(542,663)
	<u>\$ 796,558</u>

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

	Total Governmental Funds	Deferred	Capital Related Items	Long-term Debt Transactions	Eliminations	Statement of Net Position
ASSETS						
Cash and cash equivalents	310,350	-	-	-	-	310,350
Investments	40,015,202	-	-	-	-	40,015,202
Receivables	201,637	-	-	-	-	201,637
Intergovernmental receivables	1,123,949	-	-	-	-	1,123,949
Prepaid expenses	25,604	-	-	-	-	25,604
Due from other funds	22,353,290	-	-	-	(22,353,290)	-
Capital assets - net	-	-	217,293,064	-	-	217,293,064
Right-to-use subscription asset, net	-	-	157,716	-	-	157,716
Total assets	64,030,032	-	217,450,780	-	(22,353,290)	259,127,522
DEFERRED OUTFLOWS						
OPEB obligation	-	13,557	-	-	-	13,557
Pension obligations	-	1,325,664	-	-	-	1,325,664
	-	1,339,221	-	-	-	1,339,221
LIABILITIES						
Accounts payable	1,901,194	-	-	-	-	1,901,194
Accrued liabilities	401,970	-	-	-	-	401,970
Interest payable	720	-	-	-	-	720
Unearned revenues	1,215,582	-	-	-	-	1,215,582
Due to other funds	22,353,290	-	-	-	(22,353,290)	-
Damage deposits	82,500	-	-	-	-	82,500
Performance deposits	749,024	-	-	-	-	749,024
Subscription liability	-	-	-	163,878	-	163,878
Compensated absences	-	-	-	655,347	-	655,347
OPEB liability	-	-	-	118,967	-	118,967
Net pension liability	-	-	-	5,908,047	-	5,908,047
Total liabilities	26,704,280	-	-	6,846,239	(22,353,290)	11,197,229
DEFERRED INFLOWS						
	-	542,663	-	-	-	542,663
FUND BALANCE/NET POSITION						
Fund balance/net position	37,325,752	796,558	217,450,780	(6,846,239)	-	248,726,851

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The “net change in fund balances” for governmental funds \$2,380,363 differs from the “change in net position” for governmental activities \$2,177,990 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charges for the year.

Capital outlay	\$ 1,100,116
Increase in value of right-to-use subscription asset	236,574
Depreciation expense	(368,839)
Amortization expense	(78,858)
Gain of disposals of assets	3,138
	<u>\$ 892,131</u>

Long-term debt related items

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

Net increase in compensated absences	\$ (42,448)
Net decrease in other post-employment benefits	10,928
Net increase in subscription liability	(163,878)
Net increase in net pension expense	(342,154)
	<u>\$ (537,552)</u>

Other items

Recognition of certain obligations related to prior and subsequent periods are not recognized in the governmental funds.

Change in deferred inflows and deferred outflows	<u>\$ (556,952)</u>
--	---------------------

SUWANNEE RIVER WATER MANAGEMENT DISTRICT

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS.

B. Explanation of Difference Between Government Fund Operating Statements and the Statement of Activities

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions/ Eliminations	Deferred Outflows/Inflows	Statement of Activities
Revenues					
Ad valorem taxes	6,666,695	-	-	-	6,666,695
Intergovernmental revenue	15,058,231	-	-	-	15,058,231
License and permit fees	310,799	-	-	-	310,799
Charges for service	550	-	-	-	550
Timber revenue	2,528,013	-	-	-	2,528,013
Other income	186,704	-	-	-	186,704
Interest income	878,974	-	-	-	878,974
Increase/(decrease) in fair value of investment	1,479,534	-	-	-	1,479,534
Total revenues	27,109,500	-	-	-	27,109,500
Expenditures					
General government					
Water resource planning and monitoring	6,533,137	127,430	107,720	199,333	6,967,620
Land acquisition, restroration, and public works	9,188,935	63,568	42,227	78,140	9,372,871
Operation and maintenance of lands and works	4,449,336	114,814	42,618	78,864	4,685,633
Regulation	1,607,871	24,761	59,172	109,497	1,801,301
Outreach	239,908	5,289	8,849	16,374	270,420
Management and administration	1,609,834	111,835	40,391	74,743	1,836,803
Capital outlay	1,100,116	(1,100,116)	-	-	-
Total general government expenditures	24,729,137	(652,419)	300,978	556,952	24,934,648
Excess of revenues over expenditures	2,380,363	652,419	(300,978)	(556,952)	2,174,852
Other financing sources (uses)					
Transfers in	2,029,500	-	(2,029,500)	-	-
Transfers out	(2,029,500)	-	2,029,500	-	-
Increase/(decrease) in net assets for subscriptions	-	236,574	(236,574)	-	-
Gain (loss) on disposal of assets	-	3,138	-	-	3,138
Total other financing sources (uses)	-	239,712	(236,574)	-	3,138
Net change in fund balance	2,380,363	892,131	(537,552)	(556,952)	2,177,990
Fund balance at beginning of year, (restated)	34,945,389	216,558,649	(6,308,687)	1,353,510	246,548,861
Fund balance at end of year	37,325,752	217,450,780	(6,846,239)	796,558	248,726,851

NOTE 3. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits. At year end, the carrying amount of the District's deposits was \$310,350. The entire bank balance of \$349,761, was covered 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 FDIC coverage.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

Investments. 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 as compared to the safety and liquidity of funds. The District's 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 District manages credit risk, interest rate risk, and custodial credit risk is as follows:

Credit Risk: The District is a participant in the State of Florida Department of Financial Services Special Purpose Investment Account ("SPIA"). As a SPIA participant, the District invests in the Florida Treasury Investment Pool. The Florida Treasury Investment Pool is a pool of investments whereby the District owns a share of the pool, not the underlying securities. The Florida Treasury Investment Pool is rated by Standard and Poor's. The current rating is AA-f. The unaudited fair value factor for September 30, 2023 of this pool was 0.9711. This fair value factor is also posted to the Florida State Treasury website at www.fltreasury.org.

Interest Rate Risk: The District manages its exposure to declines in fair values of investments by investing operating funds primarily in shorter-term securities, State of Florida Department of Financial Services Special Purpose Investment Account. The effective duration of SPIA at September 30, 2023 was 3.24 years.

Custodial Credit Risk: Investments are subject to custodial credit risk if the securities are uninsured, not registered in the District's name, and are held by the party that either sells to or buys for the District. No investments held at year end were subject to custodial credit risk. The District owns shares of the Florida Treasury Investment Pool, and not the underlying investments. The District has not participated in a securities lending program in the fiscal year ending September 30, 2023.

Foreign Currency Risk: State law and investment policy do not authorize the Treasury Investment Pool to purchase investments in foreign currencies. Therefore, the Treasury Investment Pool is not exposed to Foreign Currency Risk.

Fair Value Hierarchy: Participants contribute to the Treasury Pool on a dollar basis. These funds are commingled and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participant's total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance.

As of September 30, 2023, the District had the following investments reported fair values:

	<u>Fair Value</u>
Florida Treasury Investment Pool	<u>\$ 40,015,202</u>

B. Unearned Revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds was as follows:

	<u>Unearned</u>
Drawdowns prior to meeting all eligibility requirements	<u>\$ 1,215,582</u>

C. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Receivables:			
Intergovernmental	\$ 8,105	\$ 1,115,844	\$ 1,123,949
Other	79,903	121,734	201,637
Gross total receivables	<u>\$ 88,008</u>	<u>\$ 1,237,578</u>	<u>\$ 1,325,586</u>

D. Capital Assets

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

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Ending</u>
Land	154,231,086	780,907	-	-	155,011,993
Easements	60,126,560	-	-	-	60,126,560
Land - Headquarters	37,685	-	-	-	37,685
Construction in Process	-	30,972	-	8,553	39,525
	<u>214,395,331</u>	<u>811,879</u>	<u>-</u>	<u>8,553</u>	<u>215,215,763</u>
Buildings and improvements	4,307,844	186,433	-	(8,553)	4,485,724
Office/field	1,310,616	23,235	(61,994)	-	1,271,857
Computer	577,535	20,894	(1,577)	-	596,852
Mobile	770,351	61,475	(22,099)	-	809,727
Right-to-use subscription asset	-	236,574	-	-	236,574
	<u>6,966,346</u>	<u>528,611</u>	<u>(85,670)</u>	<u>(8,553)</u>	<u>7,400,734</u>
Total capital assets	<u>221,361,677</u>	<u>1,340,490</u>	<u>(85,670)</u>	<u>-</u>	<u>222,616,497</u>
Depreciation:					
Building	(2,832,319)	(125,036)	-	-	(2,957,355)
Office/field	(1,043,654)	(66,258)	61,884	-	(1,048,028)
Computer	(408,233)	(85,440)	1,025	-	(492,648)
Mobile	(518,822)	(92,105)	22,099	-	(588,828)
Right to use subscription asset	-	(78,858)	-	-	(78,858)
	<u>(4,803,028)</u>	<u>(447,697)</u>	<u>85,008</u>	<u>-</u>	<u>(5,165,717)</u>
Net depreciable assets	<u>2,163,318</u>	<u>80,914</u>	<u>(662)</u>	<u>(8,553)</u>	<u>2,235,017</u>
Total assets	<u>216,558,649</u>	<u>892,793</u>	<u>(662)</u>	<u>-</u>	<u>217,450,780</u>

Depreciation and amortization expense was charged to functions of the District as follows:

Governmental Activities	
Water resource planning and monitoring	\$ 127,430
Land acquisition, restoration, and public works	63,568
Operation and maintenance of lands and works	114,814
Regulation	24,761
Outreach	5,289
Management and administration	111,835
Total depreciation expense	<u>\$ 447,697</u>

E. Interfund Balances and Activity
Interfund Receivables/Payables

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 21,836,744	\$ -
Land Management and Operations Fund	-	6,190,047
District Fund	-	8,183,888
State Fund	424,593	7,979,355
Federal Fund	91,953	-
	<u>\$ 22,353,290</u>	<u>\$ 22,353,290</u>

Interfund receivables/payables represent loans to fund expenditures of other funds.

Transfers To/From Other Funds

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 29,500	\$ 2,000,000
District Fund	2,000,000	-
State Fund	-	29,500
	<u>\$ 2,029,500</u>	<u>\$ 2,029,500</u>

F. Long-term Liabilities

Changes in Long-term Liabilities: Long-term liability activity for the year ended September 30, 2023, was as follows:

	<u>Balance</u> <u>9/30/2022</u>	<u>Additions*</u>	<u>Reductions</u>	<u>Balance</u> <u>9/30/2023</u>	<u>Due Within</u> <u>One Year</u>
Governmental activities:					
Compensated absences					
(restated for GASB 101)	\$ 612,899	\$ 42,448	\$ -	\$ 655,347	\$ 168,320
Other post-employment benefits	129,895	-	(10,928)	118,967	17,845
Net pension liability	5,565,893	342,154	-	5,908,047	472,644
Subscription liability	-	236,574	(72,696)	163,878	78,693
	<u>\$ 6,308,687</u>	<u>\$ 621,176</u>	<u>\$ (83,624)</u>	<u>\$ 6,846,239</u>	<u>\$ 737,502</u>

*The change in the compensated absences liability is presented as a net change.

The compensated absences liability, other post-employment benefits, and net pension liability will be liquidated primarily by the General Fund.

NOTE 4. OTHER INFORMATION

A. 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. Settlements have not exceeded insurance coverage for any of the past three fiscal years.

B. 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 which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

C. Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time District employees, permits the participants 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 does not contribute to the 457 plan. Participation under the plan is solely at the discretion of the employee.

The District has no liability for losses under the 457 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.

D. Related Party Balances and Transactions

One Board member has entered into multiple timber service agreements with the District. The District received \$11,019 in timber-related revenue from these agreements and paid \$0 in contractual services. There was no remaining contract balance on the timber-related agreements as of September 30, 2023.

Another Board member was approved to participate in the District Agricultural Cost-Share Program, receiving \$966,566 from the District. This noncompetitive program assists farmers in upgrading irrigations systems to reduce water use and nitrogen loading. As of September 30, 2023, the balance remaining under the Agricultural Cost-Share Program to related parties was \$2,049,247.

Six Board members hold environmental resource permits. One of these Board members also holds agricultural water use permits.

NOTE 5. COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS – FLORIDA RETIREMENT SYSTEM PENSION PLAN AND THE RETIREMENT HEALTH INSURANCE SUBSIDY PROGRAM

A. Florida Retirement System

General Information - All of the District's employees participate in the Florida Retirement System (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, which include 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 who work in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits 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, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

B. 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% of their final average compensation based on the five highest years of salary, for each year of credited service. This amount increases with every year of additional service up to a maximum of 1.68% of the final average compensation of their five highest years for each year of credited service at age 65 with 33 or more years of service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service (age 52 if credited service includes at least four years of wartime military service) or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, beginning at 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service and increasing to a maximum of 1.68% for of with each year up to age 58 (55 with wartime service) and 28 years of special risk service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 (age 52 with wartime experience) with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. 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% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' 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 3.0% (3.33% for judges and justices) 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 for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided 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 August 1, 2011, the annual cost-of-living adjustment is three percent per year. The cost-of-living adjustment for participants with a retirement date or DROP participation date after August 1, 2011 is determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement and multiplying by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively, were as follows: Regular—11.91% and 13.57%; Special Risk Administrative Support—38.65% and 39.82%; Special Risk—27.83% and 32.67%; Senior Management Service—31.57% and 34.52%; Elected Officials—43.77% and 44.89%; and DROP participants—18.60% and 21.13%. These employer contribution rates include a 1.66% and 2.00% HIS Plan subsidy for the periods October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively.

The District's contributions, including employee contributions, to the Pension Plan totaled \$589,166 for the fiscal year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2023 the District reported a liability of \$4,170,447 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the 2021-22 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was .010466194% percent, which was an decrease of 9.75 percent from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the District recognized pension expense of \$842,239. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 391,570	\$ -
Changes in assumptions	271,864	-
Net difference between projected and actual earnings on Pension Plan investments	174,169	-
Changes in proportion and differences between District Pension Plan contributions and proportionate share of contributions	239,639	298,684
District Pension Plan contributions subsequent to the measurement date	132,894	-
Total	\$ 1,210,136	\$ 298,684

The deferred outflows of resources related to the Pension Plan, totaling \$132,894, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2024	\$ 106,108
2025	(42,039)
2026	636,694
2027	60,481
2028	17,314
Thereafter	-
	\$ 778,558

Actuarial Assumptions – The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation
Discount rate	6.70%

Mortality rates were based on the PUB-2010 base table, generational mortality using the gender specific MP 2018 mortality improvement projection scale.

The actuarial assumptions used in the July 1, 2023, valuation was based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments.	3.8%	6.3%	6.1%	7.7%
Total	100.0%			
Assumed inflation - mean			2.4%	1.4%

Discount Rate - The discount rate used to measure the total pension liability was 6.70%. The Pension 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 calculation of the total pension liability is equal to the long-term expected rate of return.

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%, 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%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease 5.70%	Discount Rate 6.70	1% Increase 7.70
District's proportionate share of the net pension liability	\$ 7,123,973	\$ 4,170,447	\$ 1,699,469

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 Comprehensive Annual Financial Report.

Payables to the Pension Plan - The District had no payables for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2023.

C. HIS Plan

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, *Florida Statutes*, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system 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, 2023, the HIS contribution for the period October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023 was 1.66% and 2.00%, respectively. The District contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The District's contributions, including employee contributions, to the HIS Plan totaled \$221,552 for the fiscal year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2023, the District reported a liability of \$1,737,600 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the 2021-22 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was .010941147 percent, which was an decrease of 7.36 percent from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the District recognized an expense related to the HIS Plan of \$748,422. In addition the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,438	\$ 4,079
Changes in assumptions	45,681	150,569
Net difference between projected and actual earnings on HIS Plan investments	897	-
Changes in proportion and differences between District HIS Plan contributions and proportionate share of contributions	21,907	89,331
District HIS Plan contributions subsequent to the measurement date	21,605	-
Total	\$ 115,528	\$ 243,979

The deferred outflows of resources related to the HIS Plan, totaling \$21,605, resulting from District contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. 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:

Fiscal Year Ending September 30	Amount
2024	\$ (26,219)
2025	(15,896)
2026	(26,448)
2027	(51,877)
2028	(27,480)
Thereafter	(2,136)
	\$ (150,056)

Actuarial Assumptions – The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.65%

Mortality rates were based on the PUB-2010 base table, generational mortality using the gender specific MP 2018 mortality improvement projection scale.

Discount Rate - The discount rate used to measure the total pension liability was 3.65%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

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

	1% Decrease 2.65	Current Discount Rate 3.65	1% Increase 4.65
District's proportionate share of the net pension liability	\$ 1,982,330	\$ 1,737,600	\$ 1,534,735

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

Payables to the HIS Plan - The District had no payables for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2023.

D. 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 Comprehensive Annual Financial Report.

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, Elected District Officers, etc.), 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. Allocations to the investment member's accounts at the end of the 2023 fiscal year, as established by Section 121.72, *Florida Statutes*, are based on a percentage of gross compensation, by class, as follows: Regular class 8.30%, Special Risk Administrative Support class 9.95%, Special Risk class 16.00%, Senior Management Service class 9.67% and District Elected Officers class 15.23%.

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

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

The District had twenty-four participants in the Investment Plan for the fiscal year ended September 30, 2023.

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The District has previously established and maintains an employee group health insurance plan (the Plan) that it makes available to eligible retirees in accordance with the State of Florida law and City ordinance. The Plan is a single employer, experience rated insurance plan that provides medical benefits to eligible retirees and their eligible dependents. The post-retirement benefit portion of the Plan refers to the medical benefits applicable to current and future retirees and their eligible dependents. The Plan does not issue a stand-alone report and is not included in the report of a Public Employee Retirement System or another entity.

Membership of each plan consisted of the following as of the measurement date of September 30, 2023:

Date of Actuarial Valuation:	September 30, 2023
Retirees and Beneficiaries Receiving Benefits	2
Active Plan Members	64
Total	66

Funding Policy

In prior years, the District has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit cost and expenses. The contribution requirements of plan members, if any, are established by the District. Eligible retirees pay the full cost of blended rate premiums associated with the medical plan elected; no direct District subsidy is currently applicable. However, there are implicit costs of the medical plan for retirees, as their claims experience is higher than the blended rate premiums. State of Florida Law prohibits the District from separately rating retirees and active employees specifically for medical plan benefits. The District, therefore, assigns eligible active employees and eligible retirees equal, blended-rate premiums and makes available to both groups the same plan options. Although both groups are assigned the same blended rate premiums, generally accepted auditing principles (GAAP) requires the actuarial liabilities presented below to be calculated using age-adjusted premiums approximating claim costs for eligible retirees separate from active eligible members. The use of age-adjusted premiums results in the full expected retiree obligation recognized in this disclosure.

Annual OPEB Costs and Net OPEB Obligation

The Annual OPEB Cost is the amount that was expensed for the fiscal year. Since the District's OPEB plan is currently unfunded, the offset to that expense comes from subsidies paid on behalf of the current retirees and their dependents for the current year. This offset is called the Employer Contribution, and equals the total age-adjusted premiums paid by the District for coverage for the retirees and their dependents for the year (net of the retiree's own payments for the year). The cumulative difference between the Annual OPEB Cost for the year and the Employer Contribution for the year is called the Net OPEB Obligation. The Net OPEB Obligation is reflected as a liability in the statement of net position.

For the year ended September 30, 2023, the District recognized a decrease in the OPEB liability of \$10,928.

Total OPEB Liability - The District's total OPEB liability as of September 30, 2023 was determined by an actuarial valuation as of September 30, 2021 using September 30, 2022 as the measurement date. The actuarial assumptions used in the September 30, 2021 valuation with a measurement date of September 30, 2022 were as follows:

Methods and Assumptions Used to Determine Total OPEB Liability

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	3.00%
Discount Rate	4.40%
Initial Trend Rate FY beginning 2022	6.00%
Trend Rate for FY beginning 2023	5.75%
Ultimate Trend Rate	3.75%

Retirement age varies based on several factors including plan-specific retirement eligibility provisions and experience.

Mortality assumptions are based upon RP-2000 Generational Combined Healthy Participant mortality tables, projected from the year 2000 using Projection Scale AA.

Healthcare Cost Trend Rates are 6.00% for the fiscal year beginning 2022, 5.75% for the fiscal year beginning 2023 and then gradually decreasing to an ultimate trend rate of 3.75%.

Other information:

Changes in assumptions and other inputs include the change in the discount rate from 2.19% as of the beginning of the measurement period to 4.40% as of September 30, 2022. This change is reflected in the Schedule of Changes in Total OPEB Liability.

There were no benefit changes during the year.

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this AMM roll forward calculation, the municipal bond rate is 4.40% (based on the daily rate of Fidelity's "20-Year Municipal GO AA Index" closest to but not later than the measurement date). The discount rate was 2.19% as of the previous measurement date.

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in the Total OPEB Liability:

<u>Measurement Fiscal Year Ended September 30,</u>	<u>2022</u>
Total OPEB Liability	
Service cost	\$ 20,045
Interest	3,128
Changes in benefit terms	-
Difference between expected and actual experience of Total OPEB Liability	-
Changes in assumptions and inputs	(19,842)
Benefit payments	(14,259)
Net changes	<u>(10,928)</u>
Total OPEB Liability - Beginning of Fiscal Year	129,895
Total OPEB Liability - Ending of Fiscal Year	<u>\$ 118,967</u>
Covered Employee Payroll	\$ 4,342,462
Total OPEB Liability as a percentage of Covered Employee Payroll	2.74%

Sensitivity of the total OPEB liability to changes in the discount rate - The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.40%) or 1 percentage point higher (5.40%) than the current discount rate.

	<u>1% Decrease</u> 3.40%	<u>Discount Rate</u> 4.40%	<u>1% Increase</u> 5.40%
Total other postemployment benefits liability	<u>\$ 127,510</u>	<u>\$ 118,967</u>	<u>\$ 111,185</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1% Increase</u>
Total other postemployment benefits liability	<u>\$ 108,257</u>	<u>\$ 118,967</u>	<u>\$ 131,645</u>

Statement of OPEB expense Employer Fiscal Year End September 30, 2023:

(Based on Measurement Period Ending September 30, 2022.)

OPEB Expense	
Service cost	\$ 20,045
Interest on the Total OPEB Liability	3,128
Changes in benefit terms	-
Difference between expected and actual experience of Total OPEB Liability	-
Changes in assumptions and inputs	(19,842)
Benefit payments	(14,259)
Total OPEB Expense	<u>\$ (10,928)</u>

Schedule of Employer Contributions

<u>Year Ended September 30</u>	<u>Annual OPEB Expense</u>	<u>% Contributed</u>	<u>Net OPEB Obligation</u>
2015	\$ 4,929	0%	\$ 387,168
2016	(9,196)	0%	377,972
2017	(13,262)	0%	364,710
2018	(19,920)	0%	112,588
2019	(7,709)	0%	104,879
2020	247,498	0%	352,337
2021	16,099	0%	368,476
2022	(238,581)	0%	129,895
2023	(10,928)	0%	118,967

NOTE 7. SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS

In March 2023, the District entered into a three-year Subscription Based Information Technology Agreement (SBITA) for disaster recovery services. Payments are made on an annual basis in the amount of \$92,213. In accordance with SGAS 96, the District reported a subscription right-to-use asset and subscription liability on the government-wide financial statements. At September 30, 2023, the subscription based right-to-use asset of \$157,716, net of accumulated amortization, was reported and is also displayed on the Capital Asset schedule in Note 3. The subscription liability at September 30, 2023 was \$163,878. The related principal and interest requirements to maturity for the subscription liability are as follows:

	<u>Interest</u>	<u>Principal</u>	<u>Payment</u>
2024	\$ 13,520	\$ 78,693	\$ 92,213
2025	7,028	85,185	92,213
	<u>\$ 20,548</u>	<u>\$ 163,878</u>	<u>\$ 184,426</u>

NOTE 8. CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 5,266,426	\$ 5,266,426	\$ 5,525,527	\$ 259,101
Intergovernmental revenue	2,740,000	2,740,000	2,740,000	-
Licenses and permits	163,000	163,000	310,799	147,799
Other income	86,480	86,480	141,960	55,480
Interest income	130,000	130,000	701,186	571,186
Increase/(decrease) in fair value of investment	-	-	1,217,143	1,217,143
Total revenues	8,385,906	8,385,906	10,636,615	2,250,709
Expenditures				
General government				
Salaries and benefits	5,635,346	5,635,346	5,168,248	467,098
Contractual services	2,378,602	2,378,602	1,069,234	1,309,368
Operating expenditures	1,429,573	1,429,573	1,082,965	346,608
Intergovernmental expenditures	790,500	790,500	396,408	394,092
Capital outlay	170,608	170,608	41,597	129,011
Total general government expenditures	10,404,629	10,404,629	7,758,452	2,646,177
Excess (deficiency) of revenues over (under) expenditures	(2,018,723)	(2,018,723)	2,878,163	4,896,886
Other financing sources (uses)				
Transfers in	-	-	29,500	29,500
Transfers out	(2,000,000)	(2,000,000)	(2,000,000)	-
Total other financing sources (uses)	(2,000,000)	(2,000,000)	(1,970,500)	29,500
Net change in fund balance	(4,018,723)	(4,018,723)	907,663	4,926,386
Fund balance at beginning of year	16,020,882	16,020,882	16,020,882	-
Fund balance at end of year	\$ 12,002,159	\$ 12,002,159	\$ 16,928,545	\$ 4,926,386

See notes to required supplementary information.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
LAND MANAGEMENT AND OPERATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 1,259,162	\$ 1,259,162	\$ 1,141,168	\$ (117,994)
Intergovernmental revenue	2,331,119	2,331,119	2,398,228	67,109
Charges for services	-	-	550	550
Timber revenue	1,000,000	1,000,000	2,528,013	1,528,013
Other income	-	-	44,744	44,744
Total revenues	4,590,281	4,590,281	6,112,703	1,522,422
Expenditures				
General government				
Salaries and benefits	959,447	959,447	949,380	10,067
Contractual services	3,089,398	3,089,398	2,487,247	602,151
Operating expenditures	776,227	776,227	493,535	282,692
Intergovernmental expenditures	874,835	874,835	522,748	352,087
Capital outlay	878,436	878,436	277,612	600,824
Total general government expenditures	6,578,343	6,578,343	4,730,522	1,847,821
Excess (deficiency) of revenues over (under) expenditures	(1,988,062)	(1,988,062)	1,382,181	3,370,243
Fund balance at beginning of year	4,437,501	4,437,501	4,437,501	-
Fund balance at end of year	\$ 2,449,439	\$ 2,449,439	\$ 5,819,682	\$ (3,370,243)

See notes to required supplementary information.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
General government				
Contractual services	2,050,000	2,050,000	820,404	1,229,596
Operating expenditures	30,000	30,000	-	30,000
Intergovernmental expenditures	2,953,941	2,953,941	488,822	2,465,119
Total general government expenditures	5,033,941	5,033,941	1,309,226	3,724,715
Excess (deficiency) of revenues over (under) expenditures	(5,033,941)	(5,033,941)	(1,309,226)	3,724,715
Other financing sources (uses)				
Transfers in	2,000,000	2,000,000	2,000,000	-
Total other financing sources (uses)	2,000,000	2,000,000	2,000,000	-
Net change in fund balance	(3,033,941)	(3,033,941)	690,774	3,724,715
Fund balance at beginning of year	7,266,331	7,266,331	7,266,331	-
Fund balance at end of year	\$ 4,232,390	\$ 4,232,390	\$ 7,957,105	\$ 3,724,715

See notes to required supplementary information.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
STATE SPECIAL REVENUE FUND
BUDGET AND ACTUAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		Positive (Negative)
Revenues				
Intergovernmental revenue	\$ 28,870,354	\$ 28,870,354	\$ 8,563,395	\$ (20,306,959)
Interest revenue	-	-	177,788	177,788
Increase/(decrease) in fair value of investment	-	-	262,391	262,391
Total revenues	28,870,354	28,870,354	9,003,574	(19,866,780)
Expenditures				
General government				
Salaries and benefits	872,863	872,863	645,258	227,605
Contractual services	9,614,000	9,614,000	4,039,950	5,574,050
Operating expenditures	36,000	36,000	25,652	10,348
Intergovernmental expenditures	16,665,645	16,665,645	4,082,562	12,583,083
Caplital outlay	4,000,000	4,000,000	780,907	3,219,093
Total general government expenditures	31,188,508	31,188,508	9,574,329	21,614,179
Excess (deficiency) of revenues over (under) expenditures	(2,318,154)	(2,318,154)	(570,755)	1,747,399
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(29,500)	(29,500)
Total other financing sources (uses)	-	-	(29,500)	(29,500)
Net change in fund balance	(2,318,154)	(2,318,154)	(600,255)	1,717,899
Fund balance at beginning of year	7,220,675	7,220,675	7,220,675	-
Fund balance at end of year	\$ 4,902,521	\$ 4,902,521	\$ 6,620,420	\$ 1,717,899

See notes to required supplementary information.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
FEDERAL SPECIAL REVENUE FUND
BUDGET AND ACTUAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 18,087,980	\$ 18,087,980	\$ 1,356,608	\$ (16,731,372)
Total revenues	18,087,980	18,087,980	1,356,608	(16,731,372)
Expenditures				
General government				
Salaries and benefits	16,000	16,000	7,527	8,473
Contractual services	4,584,230	4,584,230	984,065	3,600,165
Operating expenditures	6,000	6,000	3,051	2,949
Intergovernmental expenditures	13,481,750	13,481,750	361,965	13,119,785
Total general government expenditures	18,087,980	18,087,980	1,356,608	16,731,372
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to required supplementary information.

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES- BUDGET
AND ACTUAL- MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2023**

I. Stewardship, Compliance and Accountability:

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual appropriations lapse at fiscal year-end.

The Board generally follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with *Florida Statutes*, prior to July 15, the finance office shall submit to the Board a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted following preliminary examination and revision of the proposed operating budget by the Board.
3. After public hearings and necessary revisions have been completed, the budget is legally enacted through passage of a resolution.
4. Revisions that alter the total expenditures of any fund must be approved by the Board. The Executive Director is authorized to approve line-item budget transfers within a fund without approval of the Governing Board. The legal level of budgetary control is the fund level.
5. Formal budgetary integration is employed as a management control device during the year for all governmental fund types.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SUWANNEE RIVER WATER MANAGEMENT DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the FRS net pension liability (asset)	0.010466194%	0.011597006%	0.010742049%	0.010137885%	0.010515337%	0.010495420%	0.011136560%	0.011295417%	0.012782855%	0.012464973%
District's proportionate share of the FRS net pension liability (asset)	\$ 4,170,447	\$ 4,315,018	\$ 811,440	\$ 4,393,909	\$ 3,621,336	\$ 3,161,274	\$ 3,294,120	\$ 2,852,102	\$ 1,651,077	\$ 1,744,026
District's proportion of the HIS net pension liability (asset)	0.010941147%	0.011810071%	0.011747994%	0.011761558%	0.011188140%	0.011137294%	0.011336563%	0.011222589%	0.012086449%	0.012115489%
District's proportionate share of the HIS net pension liability (asset)	1,737,600	1,250,875	1,441,068	1,436,067	1,329,411	1,203,725	1,212,158	1,307,946	1,232,628	1,232,628
District's proportionate share of the total net pension liability (asset)	\$ 5,908,047	\$ 5,565,893	\$ 2,252,508	\$ 5,829,976	\$ 4,950,747	\$ 4,364,999	\$ 4,506,278	\$ 4,160,048	\$ 2,883,705	\$ 2,976,654
District's covered-employee payroll	\$ 4,417,842	\$ 4,216,591	\$ 4,189,251	\$ 4,050,200	\$ 4,049,548	\$ 3,802,030	\$ 3,634,140	\$ 3,505,500	\$ 3,376,130	\$ 3,774,294
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	133.73%	132.00%	53.77%	143.94%	122.25%	114.81%	124.00%	118.67%	85.41%	78.87%
Plan fiduciary net position as a percentage of the total pension liability	77.04%	79.09%	91.09%	78.85%	82.61%	79.86%	79.30%	85.85%	92.00%	96.09%

See notes to the required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SUWANNEE RIVER WATER MANAGEMENT DISTRICT'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required FRS contribution	\$ 589,166	\$ 632,041	\$ 461,356	\$ 465,924	\$ 447,416	\$ 412,608	\$ 414,295	\$ 380,782	\$ 322,994	\$ 316,354
Contractually required HIS contribution	221,551	91,270	77,852	94,280	90,534	85,079	60,327	77,992	48,263	47,271
Total Contractually Required Contributions	<u>810,717</u>	<u>723,311</u>	<u>539,208</u>	<u>560,204</u>	<u>537,950</u>	<u>497,687</u>	<u>474,622</u>	<u>458,774</u>	<u>371,257</u>	<u>363,625</u>
Contributions in relation to the contractually required contribution	<u>(810,717)</u>	<u>(723,311)</u>	<u>(539,208)</u>	<u>(560,204)</u>	<u>(537,950)</u>	<u>(497,687)</u>	<u>(474,622)</u>	<u>(458,774)</u>	<u>(371,257)</u>	<u>(363,625)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 4,417,842	\$ 4,216,591	\$ 4,189,251	\$ 4,050,200	\$ 4,049,548	\$ 3,802,030	\$ 3,634,140	\$ 3,505,500	\$ 3,376,130	\$ 3,774,294
Contributions as a percentage of covered-employee payroll	18.35%	17.15%	12.87%	13.83%	13.28%	13.09%	13.06%	13.09%	11.00%	9.63%

See notes to the required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SUWANNEE RIVER WATER MANAGEMENT DISTRICT'S CHANGES IN
THE TOTAL OPEB LIABILITY*

Measurement Fiscal Year Ended September 30,	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service cost	\$ 20,045	\$ 31,335	\$ 28,618	\$ 9,310	\$ 9,440	\$ 9,711
Interest	3,128	9,305	10,068	4,049	3,933	3,922
Changes in benefit terms	-	-	-	-	-	-
Difference between expected and actual experience of Total OPEB Liability	-	(192,129)	-	149,893	-	-
Changes in assumptions and inputs	(19,842)	(59,654)	7,214	101,180	(1,770)	(2,174)
Benefit payments	(14,259)	(27,438)	(29,801)	(16,934)	(19,312)	(31,379)
Net changes	(10,928)	(238,581)	16,099	247,498	(7,709)	(19,920)
Total OPEB Liability - Beginning of Fiscal Year	129,895	368,476	352,377	104,879	112,588	132,508
Total OPEB Liability - Ending of Fiscal Year	<u>\$ 118,967</u>	<u>\$ 129,895</u>	<u>\$ 368,476</u>	<u>\$ 352,377</u>	<u>\$ 104,879</u>	<u>\$ 112,588</u>
Covered Employee Payroll	\$ 4,342,462	\$ 4,324,982	\$ 4,134,319	\$ 3,917,555	\$ 3,798,982	\$ 3,108,830
Total OPEB Liability as a percentage of Covered Employee Payroll	2.74%	3.00%	8.91%	8.99%	2.76%	3.62%

*GASB requires information for 10 years. Until a full ten-year trend has been compiled, only those years for which information is available has been presented. Only information for the current year is presented.

See notes to the required supplementary information.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**THE SUWANNEE RIVER WATER MANAGEMENT DISTRICT'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY AND REQUIRED CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
For the Fiscal Year Ended September 30, 2023**

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2023, are shown below (in thousands):

	FRS	HIS
Total pension liability	\$ 226,204,201,000	\$ 16,563,148,691
Plan fiduciary net position	\$ (186,357,365,968)	(681,814,936)
	\$ 39,846,835,032	\$ 15,881,333,755
 Plan fiduciary net position as a percentage of the total pension liability	 82.38%	 4.12%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS actuarial valuation was prepared as of June 30, 2022, and update procedures were used to determine liabilities as of June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2013 through 2023 respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years June 30, 2015 through June 30, 2023, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's ACFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

The Florida Retirement System (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 Pension Plan's GASB 67 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 2021 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%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65 % was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the Pub-2010 base table.

The following changes in actuarial assumptions occurred in 2023:

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

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
OTHER POST-EMPLOYMENT BENEFITS (OPEB) RETIREMENT HEALTHCARE PLAN
SEPTEMBER 30, 2023**

The District obtains an actuarial report every three years. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at September 30, 2021 that were “rolled forward” to the September 30, 2021 measurement date, with results applicable to the fiscal year ended September 30, 2022. Information about the methods and assumptions used in the actuarial valuation follows:

Valuation Date:	September 30, 2021
Measurement Date:	September 30, 2022
Roll Forward Procedures:	The Total OPEB Liability was rolled forward twelve months from the Valuation Date to the Measurement Date using standard actuarial techniques.

Methods and Assumptions Used to Determine Total OPEB Liability

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	3.00%
Discount Rate	4.40%
Initial Trend Rate FY beginning 2022	6.00%
Trend Rate for FY beginning 2023	5.75%
Ultimate Trend Rate	3.75%

Retirement Age	Varies based on several factors including plan-specific retirement eligibility provisions and experience.
----------------	---

Mortality	RP-2000 Generational Combined Healthy Participant mortality tables, projected from the year 2000 using Projection Scale AA.
-----------	---

Other information:	Changes in assumptions and other inputs include the change in the discount rate from 2.19% as of the beginning of the measurement period to 4.40% as of September 30, 2022. This change is reflected in the Schedule of Changes in Total OPEB Liability.
--------------------	--

There were no benefit changes during the year.

As of September 30, 2021, the most recent actuarial valuation date, the Plan was unfunded. The actuarial accrued liability for benefits at September 30, 2023 was \$118,967, and the actuarial value of assets was \$0.

The following Schedule of Funding Progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

SCHEDULE OF OPEB FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age Normal Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL:as a % of Covered Payroll ((b-a)/c)
9-30-10	-	\$ 368,061	\$ 368,061	0.00%	\$3,923,952	9.00%
9-30-13	-	144,577	144,577	0.00%	3,440,300	4.00%
9-30-16	-	230,389	230,389	0.00%	3,286,394	7.00%
9-30-17	-	364,710	364,710	0.00%	3,689,893	7.00%
9-30-18	-	112,588	112,588	0.00%	3,108,830	3.62%
9-30-19	-	104,879	104,879	0.00%	3,798,982	2.76%
9-30-20	-	352,337	352,337	0.00%	3,917,555	8.99%
9-30-21	-	368,476	368,476	0.00%	4,134,319	8.91%
9-30-22	-	129,895	129,895	0.00%	4,324,982	3.00%
9-30-23	-	118,967	118,967	0.00%	4,342,462	2.74%

SCHEDULE OF OPEB EMPLOYER CONTRIBUTIONS

Year Ended September 30	Annual OPEB Expense	% Contributed	Net OPEB Obligation
2015	\$ 4,929	0%	\$ 387,168
2016	(9,196)	0%	377,972
2017	(13,262)	0%	364,710
2018	(19,920)	0%	112,588
2019	(7,709)	0%	104,879
2020	247,498	0%	352,337
2021	16,099	0%	368,476
2022	(238,581)	0%	129,895
2023	(10,928)	0%	118,967

SINGLE AUDIT SECTION

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2023

Program Titles & Grant Numbers	ALN/CFSA	Award Number	Award/Contract Amount	Expenditures Recognized in Prior Years	Expenditures Recognized in Current Year	Transfers to Subrecipients in Current Year
Federal Awards						
<i>Major Federal Programs</i>						
<i>U.S. Department of the Treasury passed through the Florida Department of Environmental Protection</i>						
Coronavirus Sate and Local Fiscal Recovery Funds-Live Oak Septic to Sewer Reuse	21.027	WG051	\$ 3,240,000	\$ -	\$ 332,765	\$ 332,765
Coronavirus Sate and Local Fiscal Recovery Funds-Wastewater System Extension Phase VII - Lancaster Correctional Facility and Aquifer Recharge	21.027	WG056	2,900,000	-	3,000	3,000
Total U.S. Department of Treasury			6,140,000	-	335,765	335,765
<i>Non-Major Federal Programs</i>						
<i>U.S. Department of Agriculture</i>						
Natural Resourc Conservation Service through Alachua Conservation Trust-Longleaf Pine Reforestation Habitat Restoration	10.902	2022-71620-04	46,000	-	46,000	-
Total U.S. Department of Agriculture			46,000	-	46,000	-
<i>U.S. Department of Interior</i>						
Service-Lower Suwannee River Watershed Nutrient Reduction	15.658	N122CPT0011155	323,750	165,038	115,429	-
SRWMD Pine Snake Habitat Restoration	15.631	F19AC00706	23,100	10,309	12,791	-
U.S. Geological Survey-National Ground-Water Monitoring Network	15.980	G22AC00132-00	13,230	-	7,439	-
Total U.S. Department of Interior			360,080	175,347	135,659	-
<i>U.S. Department of Homeland Security-Federal Emergency Management Agency</i>						
Cooperating Technical Partners	97.045	EMA-2016-CA-0009	1,088,000	829,769	57,320	-
Cooperating Technical Partners	97.045	EMA-2017-CA-00002	1,018,000	549,104	159,531	-
Cooperating Technical Partners	97.045	EMA-2018-CA-00006	1,718,594	1,066,893	82,256	-
Cooperating Technical Partners	97.045	EMA-2019-CA-00002	1,873,150	347,633	200,417	-
Cooperating Technical Partners	97.045	EMA-2020-CA-00003	2,136,750	154,181	392,151	-
Cooperating Technical Partners	97.045	EMA-2022-CA-00015	1,620,396	-	6,300	-
Total U.S. Department of Homeland Security			9,454,890	2,947,580	897,975	-
Total Non-Major Federal Programs			9,860,970	3,122,927	1,079,634	-
Total Federal Awards			\$ 16,000,970	\$ 3,122,927	\$ 1,415,399	\$ 335,765

(Continued)

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (Continued)
For the Fiscal Year Ended September 30, 2023

Program Titles & Grant Numbers	ALN/CFSA	Award Number	Award/Contract Amount	Expenditures Recognized in Prior Years	Expenditures Recognized in Current Year	Transfers to Subrecipients in Current Year
State Financial Assistance						
<i>Major State Programs</i>						
<i>Department of Environmental Protection</i>						
<i>Water Management District Operations</i>						
General Revenue Fund-Operations	37.037	WP013	\$ 2,287,000	\$ -	\$ 2,287,000	\$ -
Total Water Management District Operations			2,287,000	-	2,287,000	-
<i>Florida Springs Grant Program</i>						
<i>Agricultural Springs Pilot Program-Low Input</i>						
Agriculture and Land Conservation	37.052	LP61038	5,000,000	1,335,133	12,353	-
Dairy Wastewater System Improvement	37.052	LP6103C	1,500,000	874,747	600,000	-
<i>Agricultural Springs Pilot Program-Advanced</i>						
Water Quality Improvement Technologies	37.052	LP6103D	1,000,000	190,273	495,115	-
<i>Precision Agricultural Practices-Land Acquisition</i>						
Trust Fund	37.052	LP6103K	5,000,000	1,348,633	516,839	-
Bradford Co. Silviculture Enhancement and Recharge	37.052	LPS0016	2,000,000	189,692	200,704	-
Dixie Co. Multiple Basin Aquifer Recharge	37.052	LPS0024	5,792,213	880,136	104,011	104,011
<i>Otter Springs Onsite Sewage Treatment Disposal</i>						
System Improvement	37.052	LPS0037	1,850,000	895,237	954,763	954,763
Agricultural Springs Protection	37.052	LPS0087	6,000,000	-	63,849	-
Conversion of Piedmont Dairy to Free Stalls Barn	37.052	LPS0088	2,500,000	-	894,778	-
Agricultural Springs Protection Projects	37.052	S0796	3,660,000	2,521,886	71,412	-
Improved Nutrient Application Practices in Dairy Operations	37.052	S0905	2,120,000	1,728,834	334,552	-
Total Florida Springs Grant Program			36,422,213	9,964,571	4,248,376	1,058,774
<i>Alternative Water Supply</i>						
Pivot Retrofits	37.100	WS002	1,200,400	326,663	111,045	-
Public Supply Efficiency Improvements	37.100	WS003	1,000,000	466,050	209,573	209,573
Lake Butler Wastewater Treatment Facility-Phase I & II	37.100	WS005	3,400,000	1,358,215	1,293,463	1,293,463
Water Protection and Sustainability Program	37.100	WS045	180,000	14,868	163,645	163,645
Hampton Water Main Loop-Phase II	37.100	WS056	263,800	18,000	238,584	238,584
Dispersed Storage for Recharge and Alternative Water Supply	37.100	WS072	2,100,000	-	12,595	-
Total Alternative Water Supply			8,144,200	2,183,796	2,028,905	1,905,265
Total Major State Programs			46,853,413	12,148,367	8,564,281	2,964,039

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (Continued)
For the Fiscal Year Ended September 30, 2023

Program Titles & Grant Numbers	ALN/CFSA	Award Number	Award/Contract Amount	Expenditures Recognized in Prior Years	Expenditures Recognized in Current Year	Transfers to Subrecipients in Current Year
Non-Major State Programs						
<i>Florida Department of Agricultural Services and Consumer Services</i>						
Agricultural Nonpoint Source Best Management Practices Implementation	42.017	29631	\$ 50,000	\$ -	\$ 12,353	\$ -
Prescribed Fire Enhancement Program - Florida Forest Services	42.065	29439	210,000	-	209,318	-
Total Florida Department of Agricultural Services and Consumer Services			260,000	-	221,671	-
<i>Florida Department of Environmental Protection Appropriations</i>						
Internal Improvement Trust Fund-PILT	37.022	WP013	352,909	-	352,909	-
Land Acquisition Trust Fund-Land Management	37.022	WP013	1,777,210	-	1,777,210	-
Land Acquisition Trust Fund-Minimum Flows and Minimum Water Levels	37.022	WP013	1,635,000	398,836	1,236,164	-
Land Acquisition Trust Fund-Minimum Flows and Minimum Water Levels	37.022	N/A	1,635,000	850,838	752,668	-
Land Acquisition Trust Fund-Minimum Flows and Minimum Water Levels	37.029	WP018	1,635,000	-	93,130	-
General Revenue Fund-Environmental Resource Permitting	37.029	WP013	453,000	-	453,000	-
Total Appropriations			7,488,119	1,249,674	4,665,081	-
<i>Through Office of Water Policy and EcoSystem Restoration Water Quality Enhancement and Accountability</i>						
SRWMD Water Quality Monitoring Enhancement	37.105	AT014	131,350	-	131,350	-
SRWMD Water Quality Monitoring Enhancement	37.105	AT018	226,925	-	43,993	-
Total Passed Through Office of Water Policy and EcoSystem Restoration Water Quality Enhancement and Accountability			358,275	-	175,343	-
<i>Florida Department of Transportation</i>						
Mitigation	N/A	N/A	-	25,166	16,456	-
Total Florida Department of Transportation			-	25,166	16,456	-
Total Non-Major State Programs			8,106,394	1,274,840	5,078,551	-
Total State Awards			54,959,807	13,423,207	13,642,832	2,964,039
Total Federal and State Financial Assistance			\$ 70,960,777	\$ 16,546,134	\$ 15,058,231	\$ 3,299,804

See notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2023

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state award activity of Suwannee River Water Management District, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

2. Indirect Cost Rate

The District did not elect to use the 10% de minimis cost rate.

3. Summary of Significant Account Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

SUPPLEMENTAL INFORMATION

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
DISTRICT SPECIAL REVENUE FUND
COMBINING BALANCE SHEET – SUB FUNDS
September 30, 2023

	Project Effectiveness Metrics	Agricultural Cost-Share	Water Resource Development Projects	RIVER Cost-Share	Total District Special Revenue Fund
Assets					
Intergovernmental receivables	\$ -	\$ 145	\$ -	\$ -	\$ 145
Due from other funds	376,059	1,614,138	3,729,277	2,464,414	8,183,888
Total assets	\$ 376,059	\$ 1,614,283	\$ 3,729,277	\$ 2,464,414	\$ 8,184,033
Liabilities					
Accounts payable	\$ 9,565	\$ 71,191	\$ 75	\$ 146,097	\$ 226,928
Total liabilities	9,565	71,191	75	146,097	226,928
Fund balances					
Committed	366,494	1,543,092	3,729,202	2,318,317	7,957,105
Total fund balances	366,494	1,543,092	3,729,202	2,318,317	7,957,105
Total liabilities and fund balance	\$ 376,059	\$ 1,614,283	\$ 3,729,277	\$ 2,464,414	\$ 8,184,033

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
STATE SPECIAL REVENUE FUND
COMBINING BALANCE SHEET – SUB FUNDS
September 30, 2023**

	Alternative Water Supply & WPSP Grants	Middle Suwannee / Mallory Swamp Springs Grants	Water Management Lands Trust Fund - Springs	Florida Forever & Preservation 2000	DOT - Environmental Transportation Decision Making	DOT - Mitigation	Minimum Flows and Minimum Water Levels	Suwannee River Partnership	Other State Grants	Land Acquisitions - PCS Mitigation	Total State Special Revenue Fund
Assets											
Intergovernmental receivables	\$ 119,362	\$ -	\$ 688,754	\$ -	\$ -	\$ -	\$ 93,130	\$ -	\$ 56,345	\$ -	\$ 957,591
Due from other funds	949,224	89,332	-	173,787	-	39,317	659,124	86,273	330,642	-	5,651,656
Total assets	\$ 1,068,586	\$ 89,332	\$ 688,754	\$ 173,787	\$ -	\$ 39,317	\$ 659,124	\$ 179,403	\$ 330,642	\$ 56,345	\$ 5,651,656
Liabilities											
Accounts payable	\$ 278,199	\$ -	\$ 264,161	\$ -	\$ -	\$ 3,366	\$ 147,910	\$ 32,241	\$ 56,345	\$ 145	\$ 782,367
Interest payable	-	720	-	-	-	-	-	-	-	-	720
Unearned revenue	763,791	88,612	-	166,526	-	-	58,424	31,493	-	-	1,108,846
Due to other funds			424,593								424,593
Total liabilities	1,041,990	89,332	688,754	166,526	-	-	61,790	179,403	32,241	56,345	145
Fund balances											
Restricted	26,596	-	-	7,261	-	39,317	597,334	-	298,401	-	5,651,511
Total fund balances	26,596	-	-	7,261	-	39,317	597,334	-	298,401	-	5,651,511
Total liabilities and fund balance	\$ 1,068,586	\$ 89,332	\$ 688,754	\$ 173,787	\$ -	\$ 39,317	\$ 659,124	\$ 179,403	\$ 330,642	\$ 56,345	\$ 5,651,656

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
FEDERAL SPECIAL REVENUE FUND
COMBINING BALANCE SHEET – SUB FUNDS
September 30, 2023

	FEMA Risk Mapping Grants	Other Federal Grants	Total Federal Special Revenue Fund
Assets			
Intergovernmental receivables	\$ -	\$ 158,253	\$ 158,253
Due from other funds	-	-	-
Total assets	\$ -	\$ 158,253	\$ 158,253
Liabilities			
Accounts payable	\$ -	\$ 66,300	\$ 66,300
Interest payable	-	-	-
Unearned revenue	-	-	-
Due to other funds	-	91,953	91,953
Total liabilities	-	158,253	158,253
Fund balances			
Total fund balances	-	-	-
Total liabilities and fund balance	\$ -	\$ 158,253	\$ 158,253

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
DISTRICT SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023

	Project Effectiveness Metrics	Agricultural Cost-Share	Water Resource Development Projects	RIVER Cost-Share	Total District Special Revenue Fund
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	-
Interest income	-	-	-	-	-
Other income	-	-	-	-	-
Increase/(decrease) in fair value of investment	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures					
General government					
Water resource planning and monitoring	60,100	-	-	-	60,100
Land acquisition, restoration, and public works	-	753,115	37,189	458,822	1,249,126
Operation and maintenance of lands and works	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total general government expenditures	60,100	753,115	37,189	458,822	1,309,226
Excess (deficiency) of revenues over (under) expenditures	(60,100)	(753,115)	(37,189)	(458,822)	(1,309,226)
Other financing sources (uses)					
Transfers in	-	1,000,000	-	1,000,000	2,000,000
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	1,000,000	-	1,000,000	2,000,000
Net change in fund balance	(60,100)	246,885	(37,189)	541,178	690,774
Fund balances at beginning of year	426,594	1,296,207	3,766,391	1,777,139	7,266,331
Fund balances at end of year	\$ 366,494	\$ 1,543,092	\$ 3,729,202	\$ 2,318,317	\$ 7,957,105

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
STATE SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023

	Alternative Water Supply & WSPSP Grants	Middle Suwannee / Mallory Swamp Springs Grants	Water Management Lands Trust Fund - Springs	Florida Forever & Preservation 2000	DOT - Environmental Transportation Decision Making	DOT - Mitigation	Minimum Flows and Minimum Water Levels	Suwannee River Partnership	Other State Grants	Land Acquisitions - PCS Mitigation	Total State Special Revenue Fund
Revenues											
Intergovernmental revenue	\$ 2,028,906	\$ -	\$ 4,248,375	\$ -	\$ -	\$ 16,456	\$ 2,081,962	\$ -	\$ 187,696	\$ -	\$ 8,563,395
Interest income	26,596	-	-	3,488	-	803	13,750	-	7,891	-	177,788
Increase/(decrease) in fair value of investment	27,235	-	-	6,038	-	1,348	22,605	-	11,339	-	262,391
Total revenues	2,082,737	-	4,248,375	9,526	-	2,151	52,811	2,081,962	19,230	187,696	9,003,574
Expenditures											
General government											
Water resource planning and monitoring	-	-	-	-	-	-	2,081,962	-	175,343	-	2,257,305
Land acquisition, restoration, and public works	2,028,906	-	4,248,375	-	-	2,443	51,736	-	184,409	12,353	6,536,117
Capital outlay	-	-	-	-	-	-	-	-	-	780,907	780,907
Total general government expenditures	2,028,906	-	4,248,375	-	-	2,443	51,736	2,081,962	184,409	187,696	9,574,329
Excess (deficiency) of revenues over (under) expenditures	53,831	-	-	9,526	-	(292)	1,075	-	(165,179)	-	(469,716)
Other financing sources (uses)											
Transfers in	(27,235)	-	-	(2,265)	-	-	-	-	-	-	(29,500)
Total other financing sources (uses)	(27,235)	-	-	(2,265)	-	-	-	-	-	-	(29,500)
Net change in fund balance	26,596	-	-	7,261	-	(292)	1,075	-	(165,179)	-	(600,255)
Fund balances at beginning of year	-	-	-	-	-	39,609	596,259	-	463,580	-	6,121,227
Fund balances at end of year	\$ 26,596	\$ -	\$ -	\$ 7,261	\$ -	\$ 39,317	\$ 597,334	\$ -	\$ 298,401	\$ -	\$ 5,651,511

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
FEDERAL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023

	FEMA Risk Mapping Grants	Other Federal Grants	Total Federal Special Revenue Fund
Revenues			
Intergovernmental revenue	\$ 897,975	\$ 458,633	\$ 1,356,608
Total revenues	<u>897,975</u>	<u>458,633</u>	<u>1,356,608</u>
Expenditures			
General government			
Water resource planning and monitoring	897,975	122,868	1,020,843
Land acquisition, restoration, and public works	-	335,765	335,765
Total general government expenditures	<u>897,975</u>	<u>458,633</u>	<u>1,356,608</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Fund balances at beginning of year	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ADDITIONAL REPORTS

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

April 9, 2024

To the Honorable Board of Governors
of the Suwannee River Water Management District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Suwannee River Water Management District (the District) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated April 9, 2024.

Internal Control Over Financial Reporting

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

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

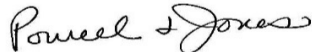
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Powell & Jones CPA
Lake City, Florida
April 9, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE***

April 9, 2024

To the Honorable Board of Governors
of the Suwannee River Water Management District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Suwannee River Water Management District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended September 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the 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 federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with the 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 Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Responsibilities of Management for Compliance

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

Auditor's 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 generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

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

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

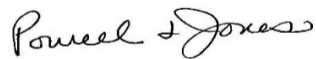
Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 Auditor's 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 were not 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 the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell & Jones CPA
Lake City, Florida
April 9, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL, OFFICE OF THE AUDITOR GENERAL

April 9, 2024

To the Honorable Board of Governors
of the Suwannee River Water Management District:

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited Suwannee River Water Management District's (the District) compliance with the types of compliance requirements in the State of Florida, Department of Financial Services State Projects Compliance and Supplement that could have a direct and material effect on each of the District's major state projects for the year ended September 30, 2023. The District's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the 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, 2023.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with the 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 Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Our responsibilities under those standards are further described in the Auditor's 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.

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state projects.

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.

Auditor's 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 the 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 Chapter 10.550, Rules of the State of Florida, Office 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 the 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 Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, we:

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

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

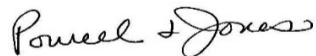
Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 a combination of deficiencies, in internal control over compliance with a 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 Auditor's 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 were not 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.

Pursuant to Chapter 119, *Florida Statutes*, this report is a public record, and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of the District's management, State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Powell & Jones CPA
Lake City, Florida
April 9, 2024

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2023**

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
● Material weakness identified?	No
● Reportable condition identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements	No

Federal Awards

Internal control over major programs:

● Material weaknesses identified?	No
● Reportable condition identified not considered to be material weaknesses?	None reported

Type of auditor's report issued on compliance for major programs	Unmodified
--	------------

Any audit findings disclosed that are required to be reported in accordance with 2CFR200.516(a)	No
---	----

Identification of major programs:

ALN
21.027

Name of Federal Programs
Coronavirus State and Local Fiscal
Recovery Funds

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

Auditee qualified as low-risk auditee?	Yes
--	-----

Financial Statement Findings

None

Federal Award Findings and Questioned Costs

None

**SUWANNEE RIVER WATER MANAGEMENT DISTRICT
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2023**

State Financial Assistance

Internal control over major projects:

- Material weakness identified? No
- Reportable condition identified not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance for major projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, *Rules of the Auditor General*? No

<u>CSFA Number</u>	<u>Name of State Programs</u>
37.037	Water Management District Operations
37.052	Florida Springs Grant Program
37.100	Alternative Water Supply

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

Financial Statement Findings

None

State Financial Assistance Findings and Questioned Costs

None

MANAGEMENT LETTER

To the Honorable Board of Governors
of the Suwannee River Water Management District:

Report on the Financial Statements

We have audited the financial statements of the Suwannee River Water Management District (the District), for the year ended September 30, 2023, and have issued our report thereon dated April 9, 2024

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards; Independent Auditor's Reports on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 9, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding annual financial report.

AUDITOR GENERAL COMPLIANCE MATTERS

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. This information has been disclosed in Note 1 of the financial statements.

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 met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions 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 the representations made by management and review of financial information provided by the same.

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

Special District Component Units – Section 10554(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 for 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 that failed to provide the necessary information for proper reporting in accordance with 218.39(3)(b), Florida Statutes.

Special District Specific Information – 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:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as 67 employees.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 29 contractors.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$4,582,572.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$9,219,469.

- e. The lone 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 its total expenditures as the Kirby Building Project with a total cost of \$99,817.
- 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 budgeted expenditures totaled \$71,293,401 and was not amended in the period under audit.

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:

- a. The millage rate imposed by the District as 0.03368%
- b. The total amount of ad valorem taxes collected by the district as \$6,666,695
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds as \$0

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 website. 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 website.

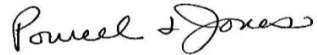
Transparency – Sections 10.554(1)(i)9.b. and 10.556(9), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the District provided a link on its website to the Florida Department of Financial Services's website to view 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 website to the Florida Financial Services website.

Sections 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 website. In connection with our audit, we determined that the District posted its tentative and final budgets on its website.

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

Purpose of This Letter

Our Management Letter is intended solely for the information of and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the District's 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 cursive script that reads "Powell & Jones".

Powell & Jones CPA
Lake City, Florida
April 9, 2024

INDEPENDENT ACCOUNTANT'S REPORT

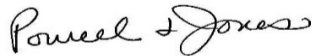
To the Honorable Board of Governors
of the Suwannee River Water Management District:

We have examined Suwannee River Water Management District's compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

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

This report is intended solely for the information and use of the District and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



Powell & Jones CPA
Lake City, Florida
April 9, 2024

Communication with Those Charged with Governance

To the Honorable Board of Governors;
Suwannee River Water Management District

We have audited the financial statements of Suwannee River Water Management District (the District) for the year ended September 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus.

All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting the District's financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements identified during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 9, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

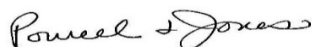
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or the financial statements themselves.

This information is intended solely for the use of the Board of Governors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Powell & Jones CPA
Lake City, Florida
April 9, 2024