

WEST COAST INLAND NAVIGATION DISTRICT

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**WEST COAST INLAND NAVIGATION DISTRICT
FINANCIAL STATEMENTS**

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
West Coast Inland Navigation District
Venice, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of West Coast Inland Navigation District (the District), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise 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 and major fund of the District, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the 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 and *Government 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, Schedules of the District's Proportionate Share of the Net Pension Liability, Schedules of the District's Contributions and Notes to Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 supplementary information is 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 March 5, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Christopher, Smith,
Leonard & Stanell, P.A.*

CHRISTOPHER, SMITH,
LEONARD & STANELL, P. A.

March 5, 2024
Bradenton, Florida



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of West Coast Inland Navigation 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. Readers should consider the information presented here in conjunction with the basic financial statements.

Financial Highlights

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$31,089,899 (*net position*).
- The District's total net position increased by \$3,975,684. This included increased ad valorem taxes, increased investment income, and increased capital projects expenditures during the year.
- As of the close of the current fiscal year, the District's governmental fund reported total ending fund balance of \$30,673,802, an increase of \$4,034,172. Of the total amount, \$14,213,856 is committed for encumbered capital projects and \$14,998,582 has been assigned for specific county or regional uses. The remaining \$1,461,364 is unassigned fund balance.
- The District's total long-term liabilities were \$514,919, which increased by \$41,431 during the current fiscal year due to increases in the net pension liability and compensated absences.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to West Coast Inland Navigation 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 other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the District's assets plus deferred outflows and liabilities plus deferred inflows, 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 District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenues and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by ad valorem taxes (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The District is engaged in only governmental activities.

The government-wide financial statements can be found on pages 10 and 11 of this report.

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

Governmental funds. Governmental funds 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. These funds are reported using the modified accrual method of accounting and the current financial resources focus. As a result long-term assets, deferred outflows, deferred inflows, and liabilities are not included. The District only uses a general fund. The General Fund is the District's general operating fund. All general tax revenues are accounted for in this fund. From this fund all general operating expenditures, capital expenditures and debt service expenditures are paid.

A reconciliation to facilitate the comparison between the governmental fund financial statements and the government-wide financial statements is presented.

The District adopts an annual budget for its general fund. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 12 to 15 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 16 of this report.

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 the West Coast Inland Navigation District, assets and deferred outflows exceeded liabilities and deferred inflows by \$31,089,899 at the close of the most recent fiscal year.

A portion of the District's net position equal to \$743,114 reflects its investment in capital assets (e.g., land, buildings, and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide waterway development projects, waterway maintenance and education within the boundaries of the District; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The District had no such long-term debt as of September 30, 2023. The District also had significant assets in cash and investments at year-end. Investments are held in Qualified Public Depositories, U.S. Government obligations, or the Florida Local Government Surplus Trust Fund, as allowed by Florida Statutes and the District's investment policy.

The following table presents a condensed statement of net position as of September 30, 2023, with comparative totals for September 30, 2022.

Statement of Net Position

	<u>Governmental Activities</u> <u>2023</u>	<u>Governmental Activities</u> <u>2022</u>
Current and other assets	\$ 34,111,047	\$ 29,589,044
Capital assets	743,114	768,335
Total assets	<u>34,854,161</u>	<u>30,357,379</u>
Deferred outflows	116,450	148,213
Long-term liabilities outstanding	514,919	473,488
Other liabilities	<u>1,570,785</u>	<u>1,104,492</u>
Total liabilities	<u>2,085,704</u>	<u>1,577,980</u>
Deferred inflows of pension earnings	45,601	27,544
Lease – related inflows of resources	<u>1,749,407</u>	<u>1,785,853</u>
	<u>1,795,008</u>	<u>1,813,397</u>
Net position:		
Net investment in capital assets	743,114	768,335
Unrestricted	<u>30,346,785</u>	<u>26,345,880</u>
Total net position	<u>\$ 31,089,899</u>	<u>\$ 27,114,215</u>

\$14,213,856 of unrestricted net position represents funds encumbered for specific County and Regional projects. Another portion of the District's net position, \$14,998,582 represents resources from prior years that have been designated for future appropriation by specific Counties of the District, and also for ACOE Section 1135 Corps of Engineers Projects.

The District's net position increased by \$3,975,684 during the current fiscal year.

The following table provides a summary of the District's operations for the year ended September 30, 2023 with comparative totals for the year ended September 30, 2022.

Changes in Net Position		
	Governmental Activities	Governmental Activities
	<u>2023</u>	<u>2022</u>
Revenues:		
Program revenues:		
Operating grants and contributions	\$ 190,873	\$ 166,030
General revenues:		
Ad valorem taxes	10,414,052	8,874,612
Investment earnings	1,009,621	(908,205)
Miscellaneous	193,294	111,977
Total revenues	<u>11,807,480</u>	<u>8,244,414</u>
Expenses:		
Capital projects	6,582,061	5,026,104
Administration	767,273	642,004
Maintenance	153,235	136,556
Tax collectors/appraisers	301,968	265,614
Depreciation	27,619	31,485
Total Expenses	<u>7,832,156</u>	<u>6,101,763</u>
Increase in net position	3,975,684	2,142,651
Net position – Beginning of year	<u>27,114,215</u>	<u>24,971,564</u>
Net position – End of year	<u>\$ 31,089,899</u>	<u>\$ 27,114,215</u>

- Ad valorem taxes increased by \$1,539,440 during the year due to increases in assessed value and investment income increased by \$1,917,826 due to market performance.
- Capital project expenditures increased \$1,555,957 due to an increase in projects compared to the prior year.

Financial Analysis of the District's Funds

The District utilizes only one governmental fund which is the General Fund.

Governmental fund. The focus of the District's *governmental fund* 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 the District'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 fund reported an ending fund balance of \$30,673,802. \$14,213,856 of the fund balance is committed for capital projects in progress and \$14,998,582 of fund balance is assigned for future specific County and other projects.

The remaining fund balance totals \$1,461,364 is *unassigned fund balance*, which is available for spending at the District’s discretion. As a measure of the general fund’s liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 19% of total general fund expenditures.

The fund balance of the District’s general fund increased by \$4,034,172 during the current fiscal year, which is an increase of \$1,896,682 from the prior year increase. The significant reason for the increase was increases in ad valorem taxes and investment earnings.

General Fund Budgetary Highlights

Budgeted expenditures changed during the year to reflect various transfers between county projects and their assigned County Navigation Improvement Fund (CNIF) balances and to return grant and other funds received back into their respective projects. Budgeted revenues were also amended to increase grant and miscellaneous revenues. The original budgeted revenues were \$10,547,604 and the final budgeted revenues were \$10,792,960. The final budgeted expenditures were \$22,140,424 compared to the original budget of \$18,488,206. For the current fiscal year, actual revenues on the budget basis were greater than budgeted revenues by \$658,792. Actual expenditures on the budget basis were less than budgeted expenditures by \$14,424,740.

The General Fund budget is presented as required supplementary information on page 34.

Capital Assets

The District’s investment in capital assets for the year ended September 30, 2023 amounts to \$743,114 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and equipment. The District’s investment in capital assets for the current fiscal year decreased by \$25,221 due to depreciation.

	Governmental Activities	Governmental Activities
	2023	2022
Land	\$ 554,068	\$ 554,068
Construction in progress	92,649	92,649
Building and improvements	82,078	85,079
Machinery and equipment	14,319	36,539
Total (net of depreciation)	\$ 743,114	\$ 768,335

See Note D on pages 26 and 27 of this report for additional information on the District’s capital assets.

Long-Term Liabilities

At the end of the current fiscal year, the District had total long-term liabilities outstanding of \$514,919, which is comprised of \$51,000 of long-term compensated absences and the District's proportionate share of the FRS Pension and HIS net pension liability. At September 30, 2023, the net pension liability recognized by the District was \$463,919.

Additional information on the District's long-term liabilities can be found in Note G to the financial statements on page 33.

Economic Factors and Next Year's Budgets and Rates

The millage rate for 2023-2024 has been adopted at the rate of .0394, which is the same as the previous fiscal year. The District is analyzing the potential effect of state mandated budget restrictions on future ad valorem revenues and project expenditures. The District's 2023-2024 budget includes funding for a Dredged Materials Management Plan, and project assistance to Counties with more focus on management of dredging projects. The District has also succeeded in obtaining additional federal funding for Operation and Maintenance activities, for the Gulf Intracoastal Waterway (GIWW) and U.S. Army Corps of Engineers (USACOE). The District has also pursued and received authorization to improve GIWW conditions for boating safety.

Requests for Information

This financial report is designed to provide a general overview of West Coast Inland Navigation District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at, West Coast Inland Navigation District, 200 E. Miami Avenue, Venice, Florida 34284.

**WEST COAST INLAND NAVIGATION DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 9,892,175
Investments	22,205,390
Other receivables	147,022
Lease interest receivable	75,998
Lease receivable	1,790,462
Capital assets	
Land	554,068
Construction in progress	92,649
Other capital assets, net of depreciation	96,397
Total Assets	34,854,161
DEFERRED OUTFLOWS OF RESOURCES – Pension	116,450
LIABILITIES	
Accounts payable and other current liabilities	1,570,785
Noncurrent liabilities:	
Due in more than one year	514,919
Total Liabilities	2,085,704
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of pension earnings	45,601
Lease-related inflows of resources	1,749,407
	1,795,008
NET POSITION	
Net investment in capital assets	743,114
Unrestricted	30,346,785
TOTAL NET POSITION	\$ 31,089,899

The accompanying notes are an integral part of these financial statements.

**WEST COAST INLAND NAVIGATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	GOVERNMENTAL ACTIVITIES
Physical Environment	
Capital projects	\$ 6,582,061
Administration	767,273
Maintenance	153,235
Tax collectors / appraisers	301,968
Depreciation	27,619
Total Program Expenses	7,832,156
Program revenues	
Operating grants and contributions	190,873
Net Program Expense	7,641,283
General Revenues:	
Ad valorem taxes	10,414,052
Investment earnings	1,009,621
Miscellaneous	193,294
Total General Revenues	11,616,967
Increase in Net Position	3,975,684
Net Position – Beginning	27,114,215
Net Position – Ending	\$ 31,089,899

The accompanying notes are an integral part of these financial statements.

**WEST COAST INLAND NAVIGATION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2023**

	GOVERNMENTAL FUND TYPE
	GENERAL
ASSETS	
Cash	\$ 9,892,175
Investments	22,205,390
Due from other governmental units	147,022
TOTAL ASSETS	\$ 32,244,587
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and other current liabilities	\$ 1,570,785
TOTAL LIABILITIES	1,570,785
Fund Balances:	
Spendable:	
Committed	14,213,856
Assigned	14,998,582
Unassigned	1,461,364
TOTAL FUND BALANCE	30,673,802
TOTAL LIABILITIES AND FUND BALANCE	\$ 32,244,587

The accompanying notes are an integral part of these financial statements.

**WEST COAST INLAND NAVIGATION DISTRICT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

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

Fund Balance – Governmental Fund	\$	30,673,802
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.		
Lease interest receivable		75,998
Lease receivable		1,790,462
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.		
		743,114
Deferred outflows of resources related to the pension plan are not financial resources and, therefore are not reported in the governmental fund.		
		116,450
Deferred inflows of resources related to the pension plan do not require the use of current financial resources and, therefore are not reported in the governmental fund.		
		(45,601)
Deferred inflows of resources related to leases do not require the use of current financial resources and, therefore, are not reported in the governmental fund.		
		(1,749,407)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental fund:		
Net pension liability		(463,919)
Compensated absences		(51,000)
		(514,919)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>31,089,899</u>

The accompanying notes are an integral part of these financial statements.

**WEST COAST INLAND NAVIGATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	GENERAL FUND
REVENUES	
Taxes	\$ 10,414,052
Investment earnings	1,009,621
Grant income	190,873
Miscellaneous	135,310
	11,749,856
TOTAL REVENUES	11,749,856
EXPENDITURES	
Capital project expenditures	6,582,061
Maintenance	155,633
Administration:	
Personal services	488,073
Operating	185,551
Capital outlay	2,398
Tax collectors / appraisers	301,968
	7,715,684
TOTAL EXPENDITURES	7,715,684
NET CHANGE IN FUND BALANCE	4,034,172
FUND BALANCE, October 1, 2022	26,639,630
FUND BALANCE, September 30, 2023	\$ 30,673,802

The accompanying notes are an integral part of these financial statements.

**WEST COAST INLAND NAVIGATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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

Net change in fund balance – Governmental Fund		\$ 4,034,172
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay additions in the current year.</p>		
Depreciation		(27,619)
Capital outlay – capital assets		2,398
		(25,221)
<p>The effects of long term accounts and pension resources do not provide current financial resources and as such, are not recorded in the governmental fund.</p>		
		(49,820)
<p>Revenues in the statement of activities that do not provide current financial resources as they do not meet the availability criteria are not reported as revenues in the governmental fund.</p>		
Change in lease interest receivable		21,538
Change in deferred lease–related inflows of resources		36,446
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental fund. This represents current year change in:</p>		
Increase in net pension liability	(25,431)	
Increase in compensated absences	(16,000)	
		(41,431)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 3,975,684

The accompanying notes are an integral part of these financial statements.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the West Coast Inland Navigation District:

(1) Reporting Entity – West Coast Inland Navigation District, also referred to as WCIND, was created by a special act of the Florida Legislature in 1947. In 1998, all special acts relating to WCIND were codified into a single, comprehensive special act charter for the District pursuant to Chapter 98–526, Laws of Florida (1998). WCIND is an independent, multi–county special taxing district composed of the Counties of Manatee, Sarasota, Charlotte, and Lee.

The District’s governing board is comprised of four members, each of whom is an elected County Commissioner in the County he or she represents.

WCIND was created to implement the requirements and conditions imposed upon “local interests”, by the Congress of the United States of America, in its River and Harbor Act approved on March 2, 1945. Part 211 of Title 33 – Navigation and Navigable Waters, of the Code of Federal Regulations, contains current regulations of the Corps of Engineers, Department of the Army, governing the Corps’ activities in connection with Federal civil works projects like the Intracoastal Waterway. These Federal regulations provide that no land shall be acquired on account of the United States except under a law authorizing such acquisition. (The Federal law authorizing the project is the River and Harbor Act approved by the Congress of the United States of America, on March 2, 1945.) The Federal regulations require local cooperation for civil works projects, meaning that local (non–Federal) interests are required to provide without cost to the United States, all lands, easements and rights–of–way for the construction of the projects. WCIND was created by The Florida Legislature in 1947 to provide the requisite local cooperation for the construction and maintenance of the waterway. WCIND is authorized to obtain by donation, purchase or condemnation and convey without cost to the United States, the necessary rights of way for said project together with suitable areas for the deposit of spoil material in connection with the work and its subsequent maintenance, all as contemplated and required by the Congress of the United States, and those acting by its authority.

WCIND (the District) is also responsible for undertaking programs intended to alleviate problems associated with its waterway, and is empowered and authorized to carry out waterway development projects specified in Sections 374.975 and 374.976, Florida Statutes.

(2) Basis of Presentation –The District’s basic financial statements include government–wide (which reports the District as a whole) and fund financial statements (which report only on the General Fund). The basic financial statements present only governmental activities, as the District conducts no business–type activities. There are no other potential component units.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Basis of Accounting: Basic Financial Statements – Government-wide Statements– The government-wide financial statements (Statement of Net position and Statement of Activities) are prepared using the economic resources measurement focus and the accrual basis of accounting. The District’s net position is reported in three parts (as applicable): net investment in capital assets; restricted net position, and unrestricted net position. The statement of activities reports direct program expenses offset by program revenues. Program revenues include contributions for projects from member counties and operating grants. General revenues include taxes and other items not properly included as program revenue.

Basic Financial Statements – Fund Financial Statements – The District’s accounts are organized on the basis of funds, which are self-balancing set of accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, reserves, fund balances, revenues and expenditures. The District utilizes a governmental fund, which follows the modified accrual basis of accounting. Under this method, revenues are recorded when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a fund liability is incurred. The District reports the following governmental fund, which is a major fund:

Governmental Fund:

General Fund – The General Fund is the general operating fund of the District. All general tax and other revenues are accounted for in this fund. From this fund all general operating expenditures, capital expenditures and debt service expenditures are paid.

(3) Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(4) Budgets and Budgetary Accounting – The following are the procedures followed by the West Coast Inland Navigation District in establishing the budget for the District.

The Executive Director submits 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. A public hearing is conducted and the budget is legally adopted by the passage of a resolution prior to September 30. Expenditures cannot legally exceed appropriations. Appropriations lapse at year-end except for capital projects, which are carried over to the next year.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(5) Capital Assets – Capital assets, which include property, plant and equipment are reported 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 and an estimated useful life of longer than one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal repair and maintenance that do not add to the value of the asset or extend the useful life of the asset are expensed as incurred. The District does not have infrastructure assets.

Property, plant and equipment of the District are depreciated on a straight-line basis over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Building and improvements	40
Vehicles	5
Furniture, fixtures and equipment	5-10
Computer equipment and software	3

(6) Property Taxes – Property taxes are based on appraisals by the various Counties' Property Appraisers, as of January 1, preceding the fiscal year. The total taxable values are certified by the Property Appraisers on or about July 1, preceding the fiscal year. Through a series of public hearings and actions the District finalizes a millage levy to become effective with the fiscal year beginning October 1. The millage levy is collected by the various County Tax Collectors and becomes delinquent on April 1.

The property tax calendar was as follows:

July 1	Assessment roll validated
September 30	Millage resolution approved
October 1	Beginning of fiscal year for which tax is to be levied
November 1	Tax bills rendered and due
November 1 – March 31	Property taxes due with various discount rates
April 1	Taxes delinquent
May 31	Tax certificates sold by County

Property taxes are recognized as revenue in the fiscal year for which the taxes have been levied to the extent they result in current receivables. Under the system outlined above, no material amount of taxes is receivable after the end of the fiscal year.

(7) Rights-of-Way Easements – The cost of rights-of-way and easements purchased by the District and conveyed to the Corps of Engineers have been expensed in the year incurred.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(8) Long-Term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, no long-term obligations are reported as they are not due to be paid from current financial resources.

(9) Fund Balance – The District establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications are non-spendable and spendable. Spendable is then further classified as restricted, committed, assigned, and unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund.

The District classified governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

- Restricted – includes amounts that can be spent only for specific purposes because of State or Federal laws or enabling legislation, or which are externally restricted by providers, such as creditors or grantors.
- Committed – includes amounts that can be spent only for specific purposes that are approved by a formal action of the Board of Commissioners through a resolution or the budget process.
- Assigned – includes amounts designated for a specific purpose by the Board of Commissioners through a resolution or the budget process, or by the Executive Director, which are neither restricted nor committed.
- Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories.

The District uses restricted amounts first when both restricted and unrestricted fund balance is available, unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The District does not have a formal minimum fund balance policy.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

County Navigation Improvement Fund (CNIF) funds are balances earmarked for specific Counties for navigation improvements. Use of these funds is subject to Board approval of the individual project requests or can be used to fund capital projects during the annual budget process.

	<u>General Fund</u>
<u>Spendable:</u>	
Committed to:	
Capital Projects in Progress:	
Charlotte	\$ 627,249
Lee	2,487,641
Manatee	3,085,230
Sarasota	2,312,327
Cooperative Assistance Program (CAP)	<u>5,701,409</u>
	<u>14,213,856</u>
Assigned to:	
ACOE Section 1135 Project	100,351
County Navigation Improvement Funds (CNIF):	
Charlotte	1,649,924
Lee	7,446,366
Manatee	2,372,333
Sarasota	<u>3,429,608</u>
	<u>14,998,582</u>
Unassigned	<u>1,461,364</u>
Total Fund Balances	<u>\$ 30,673,802</u>

(10) Pension – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and additions to/deletions from FRS’s fiduciary net position have been determined on the same basis as they are reported by FRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments in the cost-sharing multi-employer plan are reported at fair value.

(11) Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This 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. One item qualifies for reporting in this category. A deferred outflow of pension resources is reflected in the government-wide statement of net position.

WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

In addition to liabilities, the statement of net position includes 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 District has two items that qualifies for reporting in this category. A deferred inflow of pension earnings and a deferred inflow of lease earnings are reported in the government-wide statement of net position.

(12) Fair Value Measurements – The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles, which prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

(13) Change in Accounting Principle – Effective October 1, 2022, the District adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB No. 96), which requires recognition of certain subscription-based information technology arrangements as assets and liabilities in the Statement of Net Position. Upon implementation, management determined that there were no material arrangements that would require recognition under GASB No. 96.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CASH AND INVESTMENTS

Deposits

At September 30, 2023, the carrying amount of the District's deposits was \$9,892,175 and the bank balance was \$9,893,408 with the difference resulting from outstanding checks recorded as expenditures on the District records. The deposits are either insured by the FDIC or are considered insured by the multiple financial institution collateral pool created by the Florida Security for Public Deposits Act (Chapter 280 F.S.). This pool insures there will be no loss of public funds due to the default of a member since it has the power to make additional assessments against its members to protect any losses, as necessary.

Investments

In accordance with Florida Statute Section 218.415, the District adopted an investment policy limiting District investments to those enumerated in Subsection 16 of the statute.

Authorized investments are as follows:

- (a) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized through the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes.
- (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- (c) Interest bearing time deposits or savings accounts in Qualified Public Depositories as defined in Section 280.02, Florida Statutes.
- (d) Direct obligations of the U.S. Treasury.
- (e) Federal agencies and instrumentalities.
- (f) Rated or unrated bonds, notes, or instruments backed by the full faith and credit of the government of Israel.
- (g) Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the investment Company Act of 1940, 15 U.S.C. §80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.
- (h) Florida Local Government Investment Trust Fund.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CASH AND INVESTMENTS – CONTINUED

- (i) Repurchase agreements entered in accordance with written master repurchase agreements and collateralized by direct obligations of the United States Government which have maturities of 3 years or less and a market value of 103% or more of the repurchase amount.

District bank accounts are with banking institutions that post collateral as required by state statutes (Qualified Public Depositories). The District's policy minimizes credit risk by limiting investments to the safest types. The District's policy minimizes interest rate risk by structuring investments to meet cash requirements for ongoing operations and investing operating funds in shorter term investments.

Local Government Surplus Trust Funds Investment Pool

The District has investments with the State Board of Administration Florida PRIME Fund (Florida PRIME), which are administered by the Florida State Board of Administration. The District's investments in Florida PRIME are through shares owned in the funds and not the underlying investments. The Florida PRIME is considered a 2a-7 like pool and recognized at amortized cost, which approximates its fair value. The Florida PRIME investments are subject to overnight withdrawal. There is a risk of loss of interest on the investments if there are changes in the underlying indexed base. Additionally, the District has investments in Florida Cooperative Liquid Assets Securities System (FLCLASS), which is rated by S&P Global Ratings as AAAM. Investments in FLCLASS are recorded at fair value.

Interest Rate Risks

The District primarily invests in shorter term securities, government mutual funds and similar investment pools as a means of managing fair value losses arising from increasing interest rates. The Florida PRIME and FLCLASS have dollar weighted average days to maturity (WAM) of 35 and 43 days, respectively. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME and FLCLASS at September 30, 2023 is 75 and 71 days, respectively.

Credit Risks

Credit risk is the possibility that an issuer of a fixed income security held by the Florida PRIME will default on the security by failing to pay interest or principal when due. If an issuer defaults, the Florida PRIME will lose money. Florida PRIME and FLCLASS invests in top-tier, money market assets of the highest quality and has a Standard and Poors rating of AAAM.

Foreign Currency Risk

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

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CASH AND INVESTMENTS – CONTINUED

Other Items

With regards to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.”

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. Through September 30, 2023, no such disclosure has been made.

As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100 percent of their account value.

At September 30, 2023, the District had investments in the Florida PRIME and FLCLASS with fair values of \$231 and \$4,044,449, respectively. For further information regarding the Local Government Surplus Trust Funds Investment Pool, readers should refer to the financial statements and disclosures of the Florida State Board of Administration Local Government Surplus Funds Trust Fund Investment Pool.

Investments Held With an Investment Broker

The District’s has investments that are held with an investment broker which are comprised of the following at September 30, 2023:

U.S. Government Exchange Traded Fund	\$ 1,037,200
U.S. Government Obligations	<u>17,123,510</u>
	<u>\$ 18,160,710</u>

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CASH AND INVESTMENTS – CONTINUED

Exchange traded fund held by the District invest predominantly in U.S. government securities including U.S. treasuries and mortgage backed securities issued by Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA) and Federal Home Loan Mortgage Corporation (FHLMC) with average Morningstar credit quality ratings of AAA.

U.S. government obligations include U.S. Treasury and Federal National Mortgage Association notes with a Moody’s rating of Aaa.

The following sets forth the level, within the fair value hierarchy, of the District’s assets measured at fair value on a recurring basis at September 30, 2023 (see Note A for definitions):

	<u>Fair Value Measurements as of September 30, 2023</u>			
	<u>Totals</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Government Exchange Traded Fund	\$ 1,037,200	\$ -0-	\$ 1,037,200	\$ -0-
FLClass	4,044,449	-0-	4,044,449	-0-
U.S. Government Obligations	<u>17,123,510</u>	<u>-0-</u>	<u>17,123,510</u>	<u>-0-</u>
Total at fair value	22,205,159	<u>\$ -0-</u>	<u>\$ 22,205,159</u>	<u>\$ -0-</u>
Investments not subject to level disclosure:				
State investment pool	<u>231</u>			
Total investments	<u>\$22,205,390</u>			

Exchange traded fund is valued at the daily closing prices as reported by the fund. These funds include open-ended mutual funds that are registered with the U.S. Securities and Exchange Commission and are required to publish their daily net asset value and to transact at that price. The mutual funds may also be valued as determined by an independent pricing service, based on methods which include consideration of: yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions.

U.S. government obligations are valued using matrix or model-based pricing.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE C – LEASES

During 2008, the District entered into a real property lease agreement which allows the counterparty to rent two parcels of land on the District’s property. The agreement is in effect through 2058, unless terminated pursuant to the lease agreement. During the year ended September 30, 2023, the District received annual rental payments in the amount of \$33,580. Under the agreement, the annual rental payments are increased by the consumer price index (CPI) on an annual basis.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE C – LEASES – CONTINUED

Lease-related revenue recognized in the governmental activities for the year ended September 30, 2023 under GASB No. 87, *Leases*, was as follows:

Lease revenue	\$ 36,446
Interest revenue	<u>55,094</u>
Total lease-related revenue	<u>\$ 91,540</u>

Expected future minimum reductions of the lease receivable are as follows:

Year ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ -0-	\$ 35,367	\$ 35,367
2025	-0-	37,227	37,227
2025	-0-	39,290	39,290
2027	-0-	41,412	41,412
2028	-0-	43,648	43,648
2029 - 2033	-0-	256,245	256,245
2034 - 2038	-0-	333,318	333,318
2039 - 2043	55,211	378,362	433,573
2044 - 2048	317,019	246,963	563,982
2049 - 2053	547,959	185,657	733,616
2054 - 2058	<u>870,273</u>	<u>83,997</u>	<u>954,270</u>
	<u>\$ 1,790,462</u>	<u>\$ 1,681,486</u>	<u>\$ 3,471,948</u>

NOTE D – CAPITAL ASSETS

The District, in connection with its obligation to obtain necessary lands for the waterway's construction and subsequent maintenance, has purchased several parcels of land. A breakdown of land recorded at cost, owned fee simple in each county as of September 30, 2023 appears below:

<u>COUNTY</u>	<u>AMOUNT</u>
Charlotte	\$ 282,615
Manatee	6,575
Pinellas	7,144
Sarasota	<u>207,734</u>
	504,068
Land office	<u>50,000</u>
	<u>\$ 554,068</u>

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – CAPITAL ASSETS – CONTINUED

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

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Transfer</u>	<u>Ending Balance</u>
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 554,068	\$ -	\$ -	\$ -	\$ 554,068
Construction in progress	<u>92,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,649</u>
Total capital assets, not being depreciated	646,717	-	-	-	646,717
Capital assets being depreciated:					
Building and improvements	198,777	-	-	-	198,777
Equipment	<u>409,487</u>	<u>2,398</u>	<u>-</u>	<u>-</u>	<u>411,885</u>
Total capital assets being depreciated	608,264	2,398	-	-	610,662
Less accumulated depreciation for:					
Buildings and improvements	113,698	3,001	-	-	116,699
Equipment	<u>372,948</u>	<u>24,618</u>	<u>-</u>	<u>-</u>	<u>397,566</u>
Total accumulated depreciation	<u>486,646</u>	<u>27,619</u>	<u>-</u>	<u>-</u>	<u>514,265</u>
Total capital assets, being depreciated, net	<u>121,618</u>	<u>(25,221)</u>	<u>-</u>	<u>-</u>	<u>96,397</u>
Governmental activities capital assets, net	<u>\$ 768,335</u>	<u>\$ (25,221)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 743,114</u>

NOTE E – RETIREMENT PLAN

Plan Description

All part-time and full-time employees of the District are provided with pensions through the Florida Retirement System which is administered by the Florida Department of Management Services, Division of Retirement. The State of Florida issues a publicly available annual comprehensive financial report that can be obtained at <https://www.myfloridacfo.com/transparency/state-financial-reports/FL-ACFR>.

Under this system, there are two defined benefit pension plans: The Florida Retirement System Pension Plan (FRS Pension) and the Retiree Health Insurance Subsidy Program:

- The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. In 2000, the FRS was amended to provide the Investment Plan as a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. The FRS Investment Plan is an integrated defined contribution plan administered by the State Board of Administration (SBA).
- The Retiree Health Insurance Subsidy Program (HIS) is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

Benefits Provided

FRS Pension provides retirees a lifetime pension benefit with joint and survivor payment options. Benefits under the FRS Pension are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings. For members initially enrolled after July 1, 2011, the average final compensation is the average of eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Under the HIS Plan, the benefit is a monthly payment to assist retirees in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree must provide proof of eligible health insurance coverage, which can include Medicare.

Contributions Required and Made

Per Chapter 121, Florida Statutes, contribution requirements of the active employees and the participating employers are established and may be amended by the Florida Department of Management Services, Division of Retirement. Effective July 1, 2011, both employees and employers of the FRS are required to make contributions to establish service credit for work performed in a regularly established position. The Florida Legislature established a uniform contribution rate system (a blending of both the FRS Pension and FRS Investment Plan rates) for the FRS. The uniform rates are based on the class an employee is placed into which require employees to contribute 3% and employers to contribute a specific percentage based on class.

The District's contractually required contribution rate for the year ended September 30, 2023, ranged between 11.91% to 34.52% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Total contributions to the pension plan and the investment plan from the District were \$70,001 for the reporting year ended September 30, 2023.

The HIS Program is funded by required contributions of 1.66% and is included in the contribution rates noted above.

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 \$463,919 for its proportionate share of the net pension liability which includes both FRS Pension and

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

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

HIS. 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 that date. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District’s proportion was .000840274% for FRS Pension and .000812876% for HIS.

For the reporting year ended September 30, 2023, the District recognized pension expense of \$122,349. At September 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>FRS Pension</u>		<u>HIS</u>	
	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 31,437	\$ –0–	\$ 1,890	\$ (303)
Changes in assumptions	21,827	–0–	3,394	(11,187)
Net difference between projected and actual earnings on pension plan investments	13,983	–0–	67	–0–
Changes in proportion and differences between contributions and proportionate share of contributions	20,777	(28,035)	11,133	(6,076)
District contributions subsequent to the June 30, 2023 measurement date	<u>10,292</u>	<u>–0–</u>	<u>1,650</u>	<u>–0–</u>
	<u>\$ 98,316</u>	<u>\$ (28,035)</u>	<u>\$ 18,134</u>	<u>\$ (17,566)</u>

Total deferred outflows were \$116,450 and total deferred inflows were \$45,601. \$10,292 (FRS Pension) and \$1,650 (HIS) reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending September 30:</u>	<u>FRS Pension</u>	<u>HIS</u>
2024	\$ 11,478	\$ (169)
2025	11,478	(169)
2026	11,478	(169)
2027	11,478	(169)
2028	11,478	(169)
Thereafter	<u>2,599</u>	<u>(237)</u>
	<u>\$ 59,989</u>	<u>\$ (1,082)</u>

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

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

Actuarial Assumptions

The total pension liability in the July 1, 2023 actuarial valuation (June 30, 2023 measurement date) was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.25 percent, including inflation
Investment rate of return	6.70 percent, including inflation at 2.40%

Mortality assumptions were based on PUB-2010 base table, projected generationally with Scale MP-2018 for FRS. HIS mortality assumptions were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the June 30, 2023 FRS Pension valuation were based on the results of an actuarial experience study performed for the period July 1, 2013 – June 30, 2018. Because the HIS is funded on a pay-as-you-go basis, no experience study has been completed for that Plan, but were based on certain results of the most recent experience study for the FRS Pension Plan.

The long-term expected rate of return on pension plan investments consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.20%, consistent with the 4.38% real return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2023 by the FRS Actuarial Assumptions Conference. The table below shows the assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>
Cash	1.0%	2.90%
Fixed income	19.8%	4.50%
Global equity	54.0%	8.70%
Real estate (property)	10.3%	7.60%
Private equity	11.1%	11.90%
Strategic investments	3.8%	6.30%

Discount Rate

The discount rate used to measure the total FRS pension liability was 6.70%, and the HIS pension liability was 3.65%. The HIS rate is based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

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

Discount Rate – continued

contractually required rates, actuarially determined. Based on those assumptions, 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following changes in actuarial assumptions occurred in 2023:

- HIS: The municipal rate used to determine total pension liability increased from 3.54% to 3.65%; Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefit payments from \$5 times years of service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District’s proportionate share of the FRS Pension 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 1–percentage–point lower (5.70 percent) or 1–percentage–point higher (7.70 percent) than the current rate:

	1% Decrease (5.70%)	Discount Rate (6.70%)	1% Increase (7.70%)
District’s proportionate share of the FRS net pension liability	\$ 571,945	\$ 334,823	\$ 136,441

The following presents the District’s proportionate share of the HIS 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 1–percent–point lower (2.65%) or 1–percentage–point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
District’s proportionate share of the HIS net pension liability	\$ 147,278	\$ 129,096	\$ 114,024

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

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

Pension Plan Fiduciary Net Position

The District's proportion of net position has been determined on the same basis of each Plan. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of Florida comprehensive annual financial report.

FRS Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The District has employees that participate in the Investment Plan. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the plan. The Investment Plan is reported in the SBA's annual financial statements.

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. Retirement benefits are based upon the value of the member's account upon retirement. The Investment Plan is funded with the same employer and employee contribution rates that are based on the salary and membership class as the FRS defined benefit plan. The Investment Plan member directs the investment from the options offered under the plan. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for the FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

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 FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension, or remain in the Investment Plan and rely on that account balance for retirement income.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE F – ANNUAL AND SICK LEAVE COMMITMENTS

The District grants annual and sick leave benefits to substantially all employees. Upon retirement, employees can receive payment for accumulated annual leave and a portion of accumulated sick leave. Accumulated sick leave is not payable until an employee reaches 10 years of service and is paid at one hour for every four hours accumulated to a maximum of 480 hours. Accrued vested sick leave of \$3,000 is recorded and accrued annual leave of \$48,000 is recorded in the government-wide financial statements.

NOTE G – LONG-TERM LIABILITIES

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Compensated absences	\$ 35,000	\$ 29,345	\$ 13,345	\$ 51,000	\$ -0-
Net pension liability	<u>438,488</u>	<u>231,921</u>	<u>206,490</u>	<u>463,919</u>	<u>-0-</u>
	<u>\$473,488</u>	<u>\$261,266</u>	<u>\$ 219,835</u>	<u>\$ 514,919</u>	<u>\$ -0-</u>

NOTE H – 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. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There has been no significant reduction in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

REQUIRED SUPPLEMENTAL INFORMATION

WEST COAST INLAND NAVIGATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND–BUDGET AND ACTUAL
NON–GAAP BUDGET BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget Amounts			Actual	Variance
	Original	Changes	Final		
Fund balances brought forward					
Capital project funds brought forward	\$ 11,447,497	\$ -	\$ 11,447,497	\$ 11,447,497	
County CNIF Funds–9–30–22	13,197,843	-	13,197,843	13,197,843	
ACOE 1135 Carryforward	100,351	-	100,351	100,351	
Undesignated	1,893,939	-	1,893,939	1,893,939	
	<u>26,639,630</u>	<u>-</u>	<u>26,639,630</u>	<u>26,639,630</u>	
REVENUES					
Taxes	10,214,604	-	10,214,604	10,414,052	\$ 199,448
Investment earnings	300,000	-	300,000	711,517	411,517
Grants and county funds	-	143,780	143,780	190,873	47,093
Miscellaneous	33,000	101,576	134,576	135,310	734
	<u>10,547,604</u>	<u>245,356</u>	<u>10,792,960</u>	<u>11,451,752</u>	<u>658,792</u>
TOTAL REVENUES AND FUND BALANCES	<u>37,187,234</u>	<u>245,356</u>	<u>37,432,590</u>	<u>38,091,382</u>	<u>658,792</u>
EXPENDITURES					
Capital projects current					
Waterway Development Program–counties	4,276,202	2,150,493	6,426,695	2,591,601	3,835,094
Cooperative Assistance Program–regional	1,420,000	1,500,000	2,920,000	366,189	2,553,811
	<u>5,696,202</u>	<u>3,650,493</u>	<u>9,346,695</u>	<u>2,957,790</u>	<u>6,388,905</u>
Capital project carryover projects					
Waterway Development Program–counties	8,305,948	(242,348)	8,063,600	3,386,247	4,677,353
Cooperative Assistance Program–regional	3,241,900	244,073	3,485,973	238,024	3,247,949
	<u>11,547,848</u>	<u>1,725</u>	<u>11,549,573</u>	<u>3,624,271</u>	<u>7,925,302</u>
Administration	714,156	-	714,156	673,624	40,532
Maintenance and capital outlay	255,000	-	255,000	158,031	96,969
Tax collectors/appraisers	275,000	-	275,000	301,968	(26,968)
TOTAL EXPENDITURES	<u>18,488,206</u>	<u>3,652,218</u>	<u>22,140,424</u>	<u>7,715,684</u>	<u>14,424,740</u>
FUND BALANCE, SEPTEMBER 30, 2023	<u>\$ 18,699,028</u>	<u>\$ (3,406,862)</u>	<u>\$ 15,292,166</u>	<u>\$ 30,375,698</u>	<u>\$ 15,083,532</u>

**RECONCILIATION OF DIFFERENCES BETWEEN NON–GAAP BUDGETARY BASIS
AND GAAP (MODIFIED ACCRUAL) BASIS**

Budgeted revenue does not include adjustments for the market value of investments.

	Actual on the GAAP Basis	Adjustment To Budget Basis	Actual on Budget Basis
Investment earnings	\$ 1,009,621	\$ (298,104)	\$ 711,517
Total Revenue	<u>\$ 11,749,856</u>	<u>\$ (298,104)</u>	<u>\$ 11,451,752</u>
Fund Balance	<u>\$ 30,673,802</u>	<u>\$ (298,104)</u>	<u>\$ 30,375,698</u>

Note 1 – Summary of Significant Accounting Policies

The District is required to establish a budgetary system and an approved annual budget for the District. The District's budgeting process is based on estimates of cash receipts and cash expenditures that are approved by the District's Board of Commissioners. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles), with the exception of adjustments for the market value of investments.

**WEST COAST INLAND NAVIGATION DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

	FLORIDA RETIREMENT SYSTEM (FRS) Last Ten Fiscal Years									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
District's proportion of the net pension liability	0.000626186%	0.000596127%	0.000676962%	0.000681252%	0.069777600%	0.000917828%	0.000881594%	0.000914826%	0.000949038%	0.000840274%
District's proportionate share of the net pension liability	\$ 38,207	\$ 76,998	\$ 170,933	\$ 201,510	\$ 210,174	\$ 316,087	\$ 382,096	\$ 69,105	\$ 353,119	\$ 334,823
District's covered payroll	\$ 203,922	\$ 207,479	\$ 214,374	\$ 210,459	\$ 230,577	\$ 299,575	\$ 251,711	\$ 280,051	\$ 298,292	\$ 329,956
District's proportionate share of the net pension liability as a percentage of its covered payroll	19%	37%	80%	96%	91%	106%	152%	25%	118%	101%
Plan fiduciary net position as a percentage of total pension liability	96.09%	92.00%	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%

**WEST COAST INLAND NAVIGATION DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

	RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS) Last Ten Fiscal Years									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
District's proportion of the net pension liability	0.000666414%	0.000728147%	0.000767302%	0.000657214%	0.000652835%	0.000874330%	0.000754204%	0.000785299%	0.000806005%	0.000812876%
District's proportionate share of the net pension liability	\$ 62,311	\$ 74,260	\$ 89,426	\$ 70,272	\$ 69,097	\$ 97,829	\$ 92,087	\$ 96,329	\$ 85,369	\$ 129,096
District's covered payroll	\$ 203,922	\$ 207,479	\$ 214,374	\$ 210,459	\$ 230,577	\$ 299,575	\$ 251,711	\$ 280,051	\$ 298,292	\$ 329,956
District's proportionate share of the net pension liability as a percentage of its covered payroll	31%	36%	42%	33%	30%	33%	37%	34%	29%	39%
Plan fiduciary net position as a percentage of total pension liability	0.99%	0.50%	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%

**WEST COAST INLAND NAVIGATION DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

FLORIDA RETIREMENT SYSTEM (FRS)
Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution **	\$ 13,716	\$ 14,534	\$ 16,509	\$ 17,735	\$ 19,886	\$ 28,459	\$ 29,291	\$ 34,851	\$ 40,497	\$ 40,423
Contributions in relation to the contractually required contribution	13,716	14,534	16,509	17,735	19,886	28,459	29,291	34,851	40,497	40,423
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 203,922	\$ 207,479	\$ 214,374	\$ 210,459	\$ 230,577	\$ 299,575	\$ 251,711	\$ 280,051	\$ 298,292	\$ 329,956
Contributions as a percentage of covered payroll	6.73%	7.01%	7.70%	8.43%	8.62%	9.50%	11.64%	12.44%	13.58%	12.25%

** - Contributions noted per this schedule are pursuant to the measurement date of the actuarial report.

**WEST COAST INLAND NAVIGATION DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)
Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution **	\$ 2,283	\$ 2,783	\$ 3,933	\$ 3,476	\$ 3,540	\$ 4,855	\$ 4,346	\$ 4,616	\$ 4,877	\$ 5,347
Contributions in relation to the contractually required contribution	2,283	2,783	3,933	3,476	3,540	4,855	4,346	4,616	4,877	5,347
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 203,922	\$ 207,479	\$ 214,374	\$ 210,459	\$ 230,577	\$ 299,575	\$ 251,711	\$ 280,051	\$ 298,292	\$ 329,956
Contributions as a percentage of covered payroll	1.12%	1.34%	1.83%	1.65%	1.54%	1.62%	1.73%	1.65%	1.63%	1.62%

** - Contributions noted per this schedule are pursuant to the measurement date of the actuarial report.

**WEST COAST INLAND NAVIGATION DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – FRS/HIS**

ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial assumptions for both defined benefit plans (FRS and HIS) are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. This 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 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 this 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 the FRS plan was determined by an actuarial valuation as of July 1, 2023 and for the HIS plan as of July 1, 2022, rolled-forward. Both plans used the individual entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth 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. Mortality assumptions for the FRS plan was based on the PUB-2010 base table, projected generationally with Scale MP-2018, and mortality assumptions for the HIS program were based on the Generational PUB-2010 with Projection Scale MP-2018.

The following changes in actuarial assumptions occurred in 2023:

- FRS: There were no changes in actuarial assumptions.
- HIS: The municipal rate used to determine total pension liability increased from 3.54% to 3.65%; Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefit payments from \$5 times years of service to \$7.50, with an increased minimum \$45 and maximum \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

SUPPLEMENTARY INFORMATION

WEST COAST INLAND NAVIGATION DISTRICT
 SUPPLEMENTAL SCHEDULE OF TAX REVENUES – BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Charlotte	\$ 896,912	\$ 912,837	\$ 15,925
Lee	4,253,892	4,295,271	41,379
Manatee	1,973,191	2,023,632	50,441
Sarasota	3,090,609	3,182,312	91,703
	<u>\$ 10,214,604</u>	<u>\$ 10,414,052</u>	<u>\$ 199,448</u>

**WEST COAST INLAND NAVIGATION DISTRICT
SUPPLEMENTAL SCHEDULE OF CAPITAL PROJECTS EXPENDITURES – BUDGET AND ACTUAL
WATERWAY DEVELOPMENT PROGRAM–CURRENT YEAR PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budget Amounts			Actual	Project Balance
	Original	Changes	Final		
Charlotte County					
C-243 Punta Gorda Public Channel Dredge	\$ 200,000	\$ (200,000)	\$ -	\$ -	\$ -
C-244 Marine Law Enforcement – Charlotte Co Sheriff's Office	193,311	-	193,311	128,833	64,478
C-245 Marine Law Enforcement – Punta Gorda Police Department	52,325	-	52,325	7,364	44,961
C-246 Cedar Point Environmental Center	20,000	-	20,000	9,481	10,519
C-247 Charlotte Harbor Environmental Center	47,000	-	47,000	46,994	6
C-249 Marine Law Enforcement – Punta Gorda Police Department	-	14,340	14,340	9,574	4,766
C-250 Marine Debris Removal	-	82,963	82,963	6,660	76,303
C-251 Gilchrist – Floating Docks	-	39,190	39,190	39,190	-
C-252 Living Shoreline	-	30,000	30,000	-	30,000
C-253 Derelict Vessel Removal	-	64,000	64,000	7,784	56,216
C-254 Navigation Markers	-	120,000	120,000	-	120,000
Total Charlotte County	512,636	150,493	663,129	255,880	407,249
Lee County					
L-556 SCCF Recon Upgrade	17,748	-	17,748	17,744	4
L-557 Countywide Navigation Enforcement	125,000	-	125,000	50,845	74,155
L-558 Navigation Enhancement	300,000	-	300,000	45,920	254,080
L-559 Navigation Improvement	350,000	-	350,000	327,193	22,807
L-560 Marine Law Enforcement – Cape Coral Police Department	257,500	-	257,500	257,500	-
L-561 Marine Law Enforcement – Bonita Springs	40,000	-	40,000	38,594	1,406
L-562 Marine Law Enforcement – Fort Myers Beach	25,000	-	25,000	-	25,000
L-563 Marine Law Enforcement – Sanibel	35,000	-	35,000	10,577	24,423
L-564 Marine Law Enforcement – Fort Myers Police Department	105,948	-	105,948	49,051	56,897
L-565 Marine Law Enforcement – Lee County Sheriff's Office	274,788	-	274,788	274,788	-
L-566 Safety Operations	7,684	-	7,684	7,684	-
L-567 Bonita Fire & Rescue	20,000	-	20,000	-	20,000
L-568 Reef Education	60,000	-	60,000	40,620	19,380
L-569 Hurricane Ian Emergency Recovery	-	2,000,000	2,000,000	535,769	1,464,231
Total Lee County	1,618,668	2,000,000	3,618,668	1,656,285	1,962,383
Manatee County					
M-386 Marine Law Enforcement – Manatee County Sheriff's Office	85,000	-	85,000	63,750	21,250
M-387 Marine Law Enforcement – City of Holmes Beach PD	68,563	-	68,563	-	68,563
M-388 Manatee Sail & Power Squadron	833	-	833	464	369
M-389 USCG Aux Flotilla # 81	22,250	-	22,250	-	22,250
M-390 Palmetto DV Removal	10,000	-	10,000	4,245	5,755
M-391 Bradenton Beach Navigation Improvement Program	20,000	-	20,000	-	20,000
M-392 Marine Law Enforcement – Bradenton Beach PD	120,000	-	120,000	-	120,000
Total Manatee County	326,646	-	326,646	68,459	258,187
Sarasota County					
S-444 Sarasota PD Navigation Hazard Response & Rem Program	25,000	-	25,000	16,538	8,462
S-445 Venice Fire & Rescue – Vessel	250,000	-	250,000	-	250,000
S-446 Englewood Sailing Association–Train Sail	7,500	-	7,500	5,900	1,600
S-447 Englewood Sailing Association – Keel	20,000	-	20,000	20,000	-
S-448 Mote Marine – Manatee Surveys	23,523	-	23,523	5,253	18,270
S-449 Navigation Improvement Program	120,000	-	120,000	-	120,000
S-450 Sarasota County – Work Vessel Replacement	400,000	-	400,000	-	400,000
S-451 Blackburn Point Park Launch Replacement	30,000	-	30,000	12,354	17,646
S-452 North Jetty Park Improvement – Feasibility Study	125,000	-	125,000	56,432	68,568
S-453 Sarasota Youth Sailing – Upgrades	38,525	-	38,525	17,997	20,528
S-454 Longboat Key Fire & Rescue	2,850	-	2,850	2,551	299
S-455 USCG Aux Flotilla # 82	6,500	-	6,500	-	6,500
S-456 USCG Aux Flotilla # 86	6,410	-	6,410	-	6,410
S-457 USCG Aux Flotilla # 87	6,000	-	6,000	-	6,000
S-458 USCG Aux Flotilla # 92	2,925	-	2,925	2,925	-
S-460 Marine Law Enforcement – Sarasota Police Department	155,328	-	155,328	155,328	-
S-461 Marine Law Enforcement – Venice Police Department	140,247	-	140,247	-	140,247
S-462 Marine Law Enforcement – Sarasota County Sheriff's Office	349,865	-	349,865	315,699	34,166
S-463 Marine Law Enforcement – Longboat Key PD	108,579	-	108,579	-	108,579
Total Sarasota County	1,818,252	-	1,818,252	610,977	1,207,275
Waterway Development Program–Current Year Projects	\$ 4,276,202	\$ 2,150,493	\$ 6,426,695	\$ 2,591,601	\$ 3,835,094

**WEST COAST INLAND NAVIGATION DISTRICT
SUPPLEMENTAL SCHEDULE OF CAPITAL PROJECTS EXPENDITURES – BUDGET AND ACTUAL
WATERWAY DEVELOPMENT PROGRAM–CARRYOVER PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budget Amounts			Actual	Project Balance	
	Original	Changes	Final			
Charlotte County						
C-238	Hayword Canal Maintenance Dredge	\$ 170,000	\$ -	\$ 170,000	\$ -	\$ 170,000
C-239	Sunrise Channel Maintenance Dredge	45,000	-	45,000	-	45,000
C-240	S. Gulf Cove Public Channel Maintenance Dredge	75,000	-	75,000	75,000	-
C-241	Marine Law Enforcement – Charlotte Co. Sheriff's Office	103,567	-	103,567	103,567	-
C-242	CHEC 4th Grade Environmental Educational Program	13,288	(290)	12,998	12,998	-
C-248	Ainger Creek Channel Markers	43,000	-	43,000	38,000	5,000
	Total Charlotte County	449,855	(290)	449,565	229,565	220,000
Lee County						
L-523	Fort Myers Shores Fire & Rescue	5,515	(5,515)	-	-	-
L-526	Navigation Improvements	133,140	-	133,140	133,140	-
L-527	Navigation Enhancements	75,696	-	75,696	75,696	-
L-533	Marine Law Enforcement – Lee County Sheriff's Office	77,787	-	77,787	77,787	-
L-534	Marine Law Enforcement – Cape Coral PD	1,588	(1,588)	-	-	-
L-535	Cape Coral Fire & Rescue	500	(500)	-	-	-
L-537	Estero Police Department	7,888	(7,888)	-	-	-
L-539	Navigation Improvements	74,797	-	74,797	74,797	-
L-540	Navigation Enhancements	150,000	-	150,000	-	150,000
L-541	Navigation Enforcement	96,581	-	96,581	55,407	41,174
L-542	SCCCF RECON Telemetry Upgrade	11,820	(962)	10,858	10,858	-
L-543	Estero River Signage	42,432	(42,432)	-	-	-
L-544	Marine Law Enforcement – Lee County Sheriff's Office	186,559	-	186,559	186,559	-
L-545	Marine Law Enforcement – Fort Myers PD	87,162	-	87,162	60,702	26,460
L-546	Marine Law Enforcement – Sanibel PD	25,000	-	25,000	25,000	-
L-547	Marine Law Enforcement – Fort Myers Beach PD	18,312	-	18,312	6,912	11,400
L-548	Marine Law Enforcement – Bonita Springs	37,824	-	37,824	8,640	29,184
L-549	Marine Law Enforcement – Cape Coral PD	250,000	-	250,000	250,000	-
L-550	Cape Coral Fire & Rescue	200,000	-	200,000	-	200,000
L-553	Educating Boaters – Endangered Sea Turtles	130	(130)	-	-	-
L-554	Caloosahatchee Experience	140,000	-	140,000	72,960	67,040
L-555	Reef Education	27,408	(40)	27,368	27,368	-
	Total Lee County	1,650,139	(59,055)	1,591,084	1,065,826	525,258
Manatee County						
M-373	Palma Sola BR & WB Dredging	98,846	(98,846)	-	-	-
M-376	Manatee Navigation Improvement Project	304,591	548	305,139	13,724	291,415
M-379	Coquina South Boat Ramp Waterside Renovation	730,373	-	730,373	695,745	34,628
M-380	Marine Law Enforcement – Manatee Co. Sheriff's Office	40,000	-	40,000	40,000	-
M-381	Derelict Vessel Removal – City of Palmetto	10,280	-	10,280	10,280	-
M-382	Derelict Vessel Removal – Bradenton Beach	25,000	-	25,000	24,000	1,000
M-383	Marine Law Enforcement – Bradenton PD	58,963	-	58,963	58,963	-
M-384	City of Homes Beach Patrol Boat	215,305	-	215,305	215,305	-
M-385	Kingfish Boat Ramp Renovation – Phase 1	2,500,000	-	2,500,000	-	2,500,000
M-393	Manatee County Parks & Recreation – Work Vessel	45,000	-	45,000	45,000	-
	Total Manatee County	4,028,358	(98,298)	3,930,060	1,103,017	2,827,043

**WEST COAST INLAND NAVIGATION DISTRICT
SUPPLEMENTAL SCHEDULE OF CAPITAL PROJECTS EXPENDITURES – BUDGET AND ACTUAL – CONTINUED
WATERWAY DEVELOPMENT PROGRAM–CARRYOVER PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budget Amounts			Actual	Project Balance
	Original	Changes	Final		
Sarasota County					
S-384	Snook Haven Paddling Launch	58,186	(58,186)	-	-
S-385	Rattle Snake Island Environmental Enhancements	14,808	(14,808)	-	-
S-387	Seawall Replacement Phase II – Sarasota Sailing Squadron	6,314	-	6,314	6,314
S-389	Town of Longboat Key – Fire Rescue	41	(41)	-	-
S-391	USCG Aux Flotilla # 82	3,261	-	3,261	-
S-395	Venice Youth Boating	13,696	-	13,696	13,696
S-398	Marine Law Enforcement – Town of Longboat Key PD	19,791	-	19,791	19,791
S-406	Countywide Navigation Improvements	58,340	-	58,340	33,340
S-408	Sarasota Youth Sailing	20,444	-	20,444	20,444
S-411	USCG Aux Flotilla # 82	7,000	-	7,000	1,219
S-413	USCG Aux Flotilla # 87	5,684	-	5,684	4,820
S-418	Marine Law Enforcement – City of Venice PD	63,570	-	63,570	63,570
S-420	Marine Law Enforcement – Longboat Key PD	86,400	-	86,400	86,400
S-422	Aerial Vessel Surveys	6,689	(6,689)	-	-
S-441	Deer Prairie Creek Preserve	275,000	-	275,000	275,000
S-423	Venice Fire & Rescue	5,712	(5,712)	-	-
S-424	ESA – Small Boat Racing Program	9,735	-	9,735	6,495
S-426	Sarasota County – Fishing & Boating	679	(6)	673	673
S-427	Longboat Key Fire & Rescue	7,718	-	7,718	7,718
S-428	Sarasota Sailing Squadron	5,577	-	5,577	5,577
S-429	USCG Aux Flotilla # 86	10,582	-	10,582	3,483
S-430	USCG Aux Flotilla # 87	5,145	-	5,145	-
S-431	USCG Aux Flotilla # 92	88	-	88	88
S-432	Bay Park Conservancy – Sunset Boardwalk	500,000	-	500,000	-
S-433	Sarasota Sailing Squadron	23,554	-	23,554	-
S-434	Navigation Improvements	120,000	-	120,000	30,369
S-435	Mote Marine Laboratory – Manatee Survey	8,206	-	8,206	8,206
S-436	Navigation Hazard Response & Removal	22,630	737	23,367	22,630
S-437	Marine Law Enforcement – Sarasota Police Department	35,940	-	35,940	35,940
S-438	Marine Law Enforcement – Venice Police Department	130,865	-	130,865	-
S-439	Marine Law Enforcement – Sarasota Co. Sheriff's Office	170,896	-	170,896	170,896
S-440	Marine Law Enforcement – Longboat Key PD	101,314	-	101,314	83,895
S-442	Nokomis Beach & Island Shoreline Restoration	211,875	-	211,875	87,275
S-443	Marine Law Enforcement – Sarasota PD (Vessel)	167,856	-	167,856	-
	Total Sarasota County	2,177,596	(84,705)	2,092,891	987,839
	Waterway Development Program–Carry Over Projects	\$ 8,305,948	\$ (242,348)	\$ 8,063,600	\$ 3,386,247
				\$ 4,677,353	

**WEST COAST INLAND NAVIGATION DISTRICT
SUPPLEMENTAL SCHEDULE OF CAPITAL PROJECTS EXPENDITURES – BUDGET AND ACTUAL
COOPERATIVE ASSISTANCE PROGRAM
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budget Amounts			Actual	Project Balance
	Original	Changes	Final		
CAP-92 Anita's Sandcastle Regional Project	\$ 34,335	\$ -	\$ 34,335	\$ -	\$ 34,335
CAP-96 Habitat Restoration Initiatives	17,780	-	17,780	-	17,780
CAP-98 Strategic Plan Initiative	1,196	-	1,196	-	1,196
CAP-101 Regional Navigation Projects	5,543	90,626	96,169	3,031	93,138
CAP-102 Coastal Inlet Navigation Fund	19,854	-	19,854	2,512	17,342
CAP-104 Regional Storm Response	175,100	-	175,100	-	175,100
CAP-105 Coastal Inlet Navigation Fund	120,000	-	120,000	-	120,000
CAP-106 Regional Navigation Project	1,842	-	1,842	1,842	-
CAP-107 Regional Storm Response	308,839	-	308,839	-	308,839
CAP-108 Habitat Initiatives	40,000	-	40,000	-	40,000
CAP-109 Marine Enforcement Center	369	-	369	-	369
CAP-110 Coastal Inlet Navigation Fund	120,000	-	120,000	-	120,000
CAP-111 Regional Navigation Project	120,000	-	120,000	31,206	88,794
CAP-112 Regional Storm Response	100,000	-	100,000	-	100,000
CAP-113 Impact Analysis Algae	2,050	-	2,050	-	2,050
CAP-114 Storage Garage	87,351	-	87,351	-	87,351
CAP-115 Coastal Inlet Navigation Fund	120,000	-	120,000	-	120,000
CAP-116 Regional Navigation Projects	120,000	-	120,000	-	120,000
CAP-117 Strategic Planning	49,850	-	49,850	-	49,850
CAP-119 District Operations Center Design	50,950	-	50,950	1,560	49,390
CAP-120 Coastal Inlet Navigation Fund	120,000	-	120,000	-	120,000
CAP-121 Regional Navigation Fund	120,000	-	120,000	-	120,000
CAP-122 Strategic Planning	50,000	-	50,000	-	50,000
CAP-123 Coastal Inlet Navigation Fund	120,000	-	120,000	-	120,000
CAP-124 Regional Navigation Fund	120,000	-	120,000	-	120,000
CAP-125 Strategic Planning	50,000	-	50,000	-	50,000
CAP-126 Regional BOSAR Class	120,000	-	120,000	120,000	-
CAP-127 Strategic Planning – DMMP	60,000	-	60,000	-	60,000
CAP-128 District Office Building Administration	70,000	-	70,000	-	70,000
CAP-129 Professional Services	70,000	-	70,000	-	70,000
CAP-130 Hurricane Ian Emergency Response	-	1,500,000	1,500,000	246,189	1,253,811
CAP-524 Longboat Pass Inlet Management (Year 6)	32,089	-	32,089	-	32,089
CAP-525 Venice Inlet Management (Year 7)	77,258	-	77,258	-	77,258
CAP-527 Longboat Pass Inlet Management (Year 7)	75,000	-	75,000	-	75,000
CAP-528 Venice Inlet Management (Year 8)	75,000	-	75,000	-	75,000
CAP-529 Longboat Pass Inlet Management (Year 8)	75,000	-	75,000	-	75,000
CAP-530 Venice Inlet Management (Year 9)	75,000	-	75,000	-	75,000
CAP-531 Longboat Pass Inlet Management (Year 9)	75,000	-	75,000	-	75,000
CAP-532 Venice Inlet Management (Year 10)	75,000	-	75,000	-	75,000
CAP-533 Longboat Pass Inlet Management (Year 10)	75,000	-	75,000	-	75,000
CAP-535 Derelict Vessel Removal	149,638	153,447	303,085	197,873	105,212
CAP-537 Regional Derelict Vessel Initiative	82,505	-	82,505	-	82,505
CAP-538 Derelict Vessel Removal	100,000	-	100,000	-	100,000
CAP-539 Regional Storm Response	100,000	-	100,000	-	100,000
CAP-540 Regional Derelict Vessel Removal	100,000	-	100,000	-	100,000
CAP-541 Office Building Construction	1,000,000	-	1,000,000	-	1,000,000
Total Cooperative Assistance Program	<u>4,561,549</u>	<u>1,744,073</u>	<u>6,305,622</u>	<u>604,213</u>	<u>5,701,409</u>
OTHER PROJECTS					
ACOE Section 1135	50,351	-	50,351	-	50,351
ACOE Contributed Funds Agreement	50,000	-	50,000	-	50,000
Total Other Projects	<u>100,351</u>	<u>-</u>	<u>100,351</u>	<u>-</u>	<u>100,351</u>
TOTAL CAP AND OTHER	<u>\$ 4,661,900</u>	<u>\$ 1,744,073</u>	<u>\$ 6,405,973</u>	<u>\$ 604,213</u>	<u>\$ 5,801,760</u>
Current year projects	\$ 1,420,000	\$ 1,500,000	\$ 2,920,000	\$ 366,189	\$ 2,553,811
Carryover projects	3,241,900	244,073	3,485,973	238,024	3,247,949
Total Cooperative Assistance Program	<u>\$ 4,661,900</u>	<u>\$ 1,744,073</u>	<u>\$ 6,405,973</u>	<u>\$ 604,213</u>	<u>\$ 5,801,760</u>
Total All Counties Expense	<u>\$ 17,244,050</u>	<u>\$ 3,652,218</u>	<u>\$ 20,896,268</u>	<u>\$ 6,582,061</u>	<u>\$ 14,314,207</u>

**WEST COAST INLAND NAVIGATION DISTRICT
SUPPLEMENTAL SCHEDULE OF EXPENDITURES – BUDGET BASIS
ADMINISTRATIVE, MAINTENANCE AND OTHER EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	ORIGINAL BUDGET	CHANGES	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
ADMINISTRATION					
Executive director – salary	\$ 156,117	\$ –	\$ 156,117	\$ 156,117	\$ –
Project and administration – salaries	173,839	–	173,839	173,839	–
Group insurance	65,000	–	65,000	62,925	2,075
State retirement	79,900	–	79,900	70,001	9,899
Social security	24,000	–	24,000	25,191	(1,191)
Advertising	5,000	–	5,000	3,231	1,769
Audit and accounting	25,000	–	25,000	25,000	–
Board travel	1,000	–	1,000	973	27
Staff travel	8,000	–	8,000	8,000	–
Utilities	3,000	–	3,000	2,983	17
Telephone	6,100	–	6,100	5,600	500
Insurance – commercial	33,100	–	33,100	31,773	1,327
Office supplies and expense	3,000	–	3,000	793	2,207
Postage	1,000	–	1,000	612	388
Dues and subscriptions	2,800	–	2,800	2,799	1
Office and grounds	6,000	–	6,000	4,527	1,473
Financial fees	500	–	500	231	269
Accounting services	28,800	–	28,800	28,800	–
IT support	7,000	–	7,000	2,169	4,831
Contingency	85,000	–	85,000	68,060	16,940
Total Administration Expense	\$ 714,156	\$ –	\$ 714,156	\$ 673,624	\$ 40,532
MAINTENANCE					
Spoil area	\$ 130,000	\$ –	\$ 130,000	\$ 62,820	\$ 67,180
Engineering	5,000	–	5,000	5,000	–
Legislative	70,000	–	70,000	60,000	10,000
Legal and litigation	45,000	–	45,000	25,884	19,116
Fleet maintenance	5,000	–	5,000	4,327	673
Total Maintenance Expense	\$ 255,000	\$ –	\$ 255,000	\$ 158,031	\$ 96,969
OTHER					
Commissions appraisers / tax collectors	\$ 275,000	\$ –	\$ 275,000	\$ 301,761	\$ (26,761)
Tax refunds	–	–	–	207	(207)
Total Other Expense	\$ 275,000	\$ –	\$ 275,000	\$ 301,968	\$ (26,968)

OTHER 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*

Board of Commissioners
West Coast Inland Navigation District
Venice, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of West Coast Inland Navigation District (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 March 5, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Christopher, Smith,
Leonard & Stanell, P.A.*

CHRISTOPHER, SMITH,
LEONARD & STANELL, P.A.

March 5, 2024
Bradenton, Florida

MANAGEMENT LETTER

**Board of Commissioners
West Coast Inland Navigation District
Venice, Florida**

Report on the Financial Statements

We have audited the financial statements of West Coast Inland Navigation District (District) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 5, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 the Financial Statements Performed in Accordance with *Government Auditing Standards* 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, which are dated March 5, 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 annual financial audit report. There were no recommendations made in the preceding audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in the notes to the financial statements. There were no component units.

Financial Condition and Management

Section 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 representations made by management and the review of financial information provided by same.

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

Specific Information for an Independent Special District

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

- a. The total number of district employees compensated in the last pay period of the District's fiscal year was 3.
- b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the District's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$329,293.
- d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project was \$0, as there were none.
- 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). The budget variance schedule is presented on page 34.

Specific Information for an Independent Special District that Imposes Ad Valorem Taxes

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

- a. The mileage rate or rates imposed by the District was 0.0394.
- b. The total amount of ad valorem taxes collected by or on behalf of the District was \$10,414,052.

- c. The total amount of outstanding bonds issued by the District and the terms of such bonds was \$0, as there were none.

Additional Matters

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

Purpose of this Letter

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

*Christopher, Smith,
Leonard & Stanell, P.A.*

**CHRISTOPHER, SMITH,
LEONARD & STANELL, P.A.**

March 5, 2024
Bradenton, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

Board of Commissioners
West Coast Inland Navigation District
Venice, Florida

We have examined West Coast Inland Navigation District's (the District) 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 the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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 Section 218.415, Florida Statutes, regarding the investment of public funds 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.

*Christopher, Smith,
Leonard & Stanell, P.A.*

CHRISTOPHER, SMITH,
LEONARD & STANELL, P.A.

March 5, 2024
Bradenton, Florida