

# Comprehensive Annual Financial Report



**Fiscal year ended  
September 30, 2014**

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





# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



## **ST. JOHNS RIVER WATER MANAGEMENT DISTRICT**

A Component Unit of the State of Florida

Fiscal year ended September 30, 2014

Prepared by  
Office of Financial Services  
R. Gregory Rockwell, CPA, Finance Director



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

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# **Comprehensive Annual Financial Report**

## **Introductory Section**

**Letter of Transmittal  
GFOA Certificate of Achievement  
Organizational Chart Listing Principal Officials  
Map of the Geographic Boundaries of the District**







# St. Johns River

## Water Management District

Hans G. Tanzler III, Executive Director

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4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500  
On the Internet at [floridaswater.com](http://floridaswater.com).

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

**Subject: Comprehensive Annual Financial Report — Fiscal Year (FY) 2013–2014**

**Date: February 24, 2015**

The St. Johns River Water Management District (District) presents its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2014.

Responsibility for the completeness and accuracy of the data and fairness of its presentation rests with the District. The District believes the basic financial statements conform with Generally Accepted Accounting Principles (GAAP) for governmental entities and the information is accurate in all material respects and fairly presents the District's financial position and operating results. The report includes disclosures required to provide an understanding of District financial affairs.

Independent auditors have audited the basic financial statements in accordance with generally accepted auditing standards, which included a review of internal accounting controls to the extent necessary to express an opinion on the fairness of these basic financial statements. The independent auditors' report is presented as the first component of the financial section (page 2) of this report.

The independent audit of the District's basic financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. These reports are available in the District's separately issued Single Audit Report.

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

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#### GOVERNING BOARD

John A. Miklos, CHAIRMAN  
ORLANDO

Fred N. Roberts Jr., VICE CHAIRMAN  
OCALA

Chuck Drake, SECRETARY  
ORLANDO

Carla Yetter, TREASURER  
FERNANDINA BEACH

Douglas C. Bournique  
VERO BEACH

Douglas Burnett  
ST. AUGUSTINE

Lad Daniels  
JACKSONVILLE

Maryam H. Ghyabi  
ORMOND BEACH

George W. Robbins  
JACKSONVILLE

## District Background

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

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

District boundaries are based on natural, hydrologic drainage basins to allow for effective and efficient planning and management. The St. Johns District's boundaries encompass approximately 23 percent of the state's land area with all or part of 18 counties in northeast and east-central Florida, covering a total area of 12,283 square miles. An estimated 4.8 million people (25 percent of the state's population) live within the District's boundaries. There are nine major surface water basins within the District. The most prominent river within the District is the St. Johns, which flows north through its upper, middle, and lower basins. At 310 miles, it is the longest river located entirely in Florida. The District contains 96 springs and more than 1,400 lakes. A map showing the geographic boundaries of the District is included on page xvi.

## Status and Trends

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

The Florida Water and Land Conservation Initiative, Amendment 1, was approved by the voters of Florida on November 4, 2014. The measure is designed to dedicate a portion of net revenue from existing taxes on document filings to the Land Acquisition Trust Fund. The potential impact on District revenues, if any, cannot be determined at present.

A discussion of selected significant trends follows.

**Property Values** — The District's single largest source of revenue is ad valorem (property) taxes. In FY 2013–2014, more than two thirds of the District's total expenditures (\$105.4 million) were funded by property taxes (\$80.3 million). Due to the construction boom and rapid appreciations in property values after 2000, the District's total assessed values reached a peak of \$361.3 billion in 2007. Between 2007 and 2012, total assessed values within the District declined by almost 33% to \$247.3 billion, impacting cities, counties, authorities, and districts across the state that are dependent on property taxes. Those declines, in combination with lower adopted

millage rates, resulted in an approximately 45% reduction in property tax revenues to the District over that 5 year period.

The most recent taxable values (August 2014) reported by the State Office of Economic and Demographic Research (EDR) for counties within the District indicate that the real estate market has stabilized and shows an uptick in the trend. Of the 18 counties within the District, 16 counties showed increased values (ranging from 1.3% to 8.9%) while two counties reported further decreases (ranging from -0.8% to -2.2%). As the economy recovers, the District's total assessed values are projected to grow again to almost \$345 billion by FY 2018–2019 through appreciations of home value and new construction, still remaining under the 2007 peak.

**Housing Starts** — Because of the robust population growth and low interest rates in the early 2000s, the construction industry within the District remained strong until 2006, when new residential construction in the District declined by 20% due to a combination of increasing interest rates and a large inventory of unsold new and existing homes. In 2007, a further downturn in demand for residential construction resulted in an almost 50% decline in building permits for single-family housing units. The slowdown in residential construction continued through 2009, albeit at a much slower pace. Since 2010, driven by favorable interest rates and a gradual return of house hunters, the total housing starts (1-unit structures) have doubled from fewer than 10,000 in 2010 to a projected 21,500 units in 2014 in the seven Metropolitan Statistical Areas (MSA) within the District's boundaries. Even with this recovery, the permitted single-family housing units in 2014 are only one third of the total housing units during the peak of a construction boom in 2005.

**Unemployment** — The region was impacted by the slowdown in construction and tourism-related activities with districtwide unemployment rates rising from 3.3% in 2006 to a high of 12% in 2010. Since then, both the state and districtwide unemployment rates are down to 5.9% and 6.1% respectively (September 2014). In comparison, the national unemployment rate for the same period was 5.7%.

**Tourism** — The region's economy depends heavily on tourism-related hospitality industries due to such popular tourist destinations as Orlando and Daytona Beach. Similar to other industries, the state's tourism and the associated sales taxes and bed taxes on short-term rentals (available only to cities and counties) experienced a downturn with the number of visitors declining 4.2% over a two-year period between 2007 and 2009. The state slowly returned to historical tourism levels in 2010 and the growth of annual number of visitors has since picked up pace over the last four years. Based on the first three quarters' data, Florida is on track to see 98 million visitors in 2014, setting visitation records for a fourth consecutive year. Florida is likely to cross the 100 million visitors mark in 2015.

**Population** — Since 2000, the District's population has grown by 23.4% compared to the state's 21.3%. The District's population experienced an unprecedented negative growth in 2009 (-0.1%) and 2010 (-0.55%) as a result of the economic downturn. District population has been on a gradual upswing since 2011. In 2014, the total District population is estimated to grow by 0.2%. Districtwide projections show that by 2030, the District's total population will grow from its current 4.8 million to 5.8 million.



## Recreation Program Overview

The District owns more than 700,000 acres of conservation land either full or joint fee. These lands largely consist of wetlands or historically wet areas. Of that, the District is the primary land manager of approximately 420,000 acres. It is on these areas that the District is responsible for managing recreational opportunities.

Recreation on District-managed lands is resource based; meaning the recreation activity occurs on the land as it is, with little to no alteration or improvement. District rule (Chapter 40C-9, *Florida Administrative Code*) requires the District develop a land management plan as properties are purchased, determine the uses of the land that are consistent with District land management policy, determine those activities, including recreation, that are least harmful to the properties and ensure maximum safety for the public. When developing management plans for individual conservation areas, District staff evaluate the recreational activities that are available in the vicinity on other public or private lands. This evaluation helps ensure recreational opportunities that compliment, rather than compete with, those recreational opportunities already in the vicinity. The District's Governing Board approves all land management plans.

Recreational opportunities found on District-managed lands are those that generally require large tracts of land with some level of isolation, which include hiking, bicycling, horseback riding, hunting, fishing, paddling, boating, primitive camping, and nature appreciation/wildlife viewing.

Recreational opportunities and facilities on District-managed lands are summarized below:

- 4 airboat ramps
- 4 canoe/kayak launches
- 9 improved and 4 unimproved boat ramps
- 10 fishing platforms
- 10 observation towers
- 16 inclement weather shelters
- 18 public restrooms
- 21 picnic shelters
- 40 miles of interpretive/wildlife drives
- 60 primitive campsites (24 of which may be reserved online)
- 76 trailheads with entrance signs and kiosks
- 290 miles of marked multi-use trails
- 5,300 feet of boardwalk

Staff estimate the number of people visiting District lands to be about 600,000 visitor days annually.

## Cooperative Funding Update

Through FY 2013–2014, the District has provided more than \$277 million in funding for cooperative agreements with local governments, utilities and businesses for water supply and water quality projects. These projects have conserved hundreds of thousands of gallons of water, protected priority water bodies and produced more than 150 million gallons per day (mgd) of reclaimed or reuse water for irrigation purposes. A summary of several recent projects is below.

<b>Partner/Summary</b>	<b>SJRWMD Core Mission</b>	<b>SJRWMD Cost-Share</b>	<b>Total Project Cost</b>	<b>Annual Water Benefit</b>
Jacksonville Electric Authority: 9B Reclaimed Water Main	North Florida Water Initiative	\$ 181,200	\$ 453,000	13 mgd
City of Apopka: Keene Road 48" Reclaimed Water Transmission Main	Central Florida Water Initiative	\$1,401,408	\$3,503,520	10.4 mgd
West Volusia Water Suppliers: Doyle Road Reclaimed Water Interconnect	Springs Protection Initiative	\$1,661,500	\$6,000,000	2 mgd
Marion County: Silver Springs Shores Reuse to Spruce Creek Golf	Springs Protection Initiative	\$1,755,600	\$9,819,738	1.2 mgd
City of Deltona: Howland Blvd. Phase 3 Reclaimed Water Project	Minimum Flows and Levels Prevention and Recovery Strategies Initiative	\$ 196,000	\$ 490,000	2 mgd

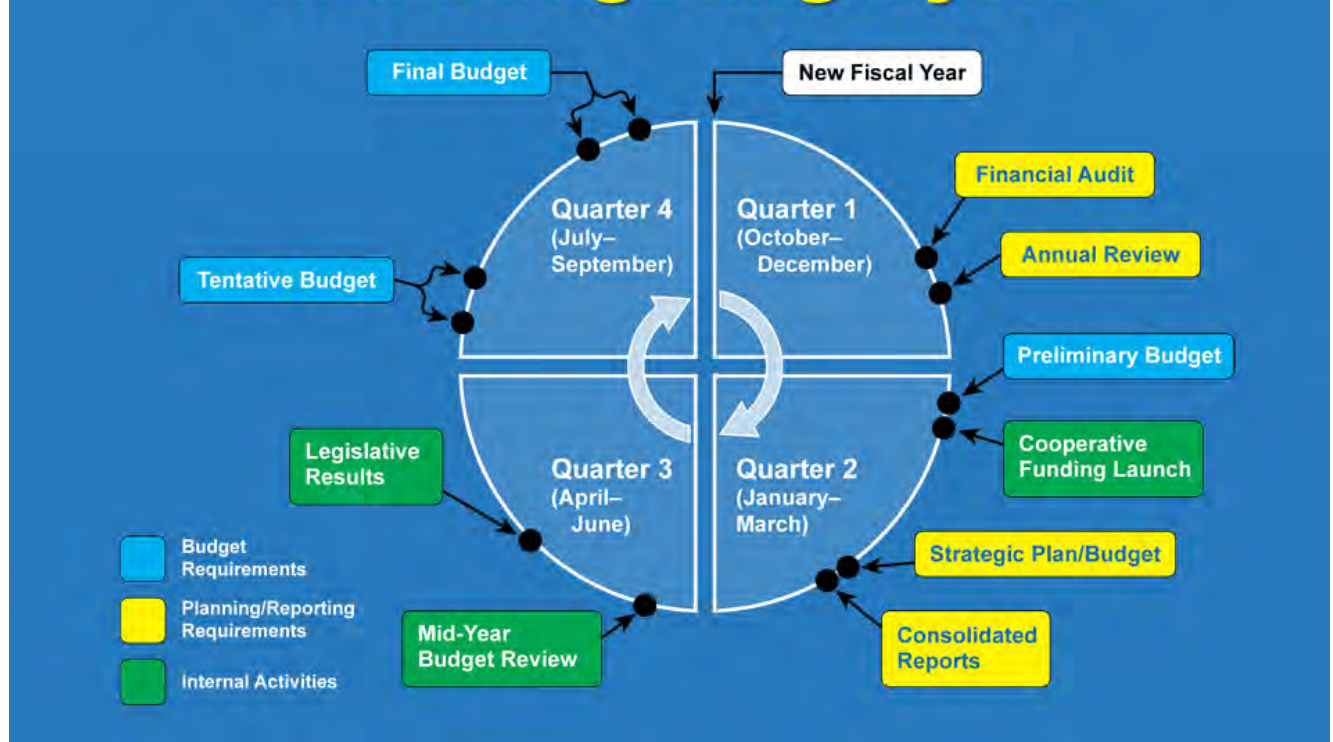
## Strategic Planning and Budgeting

The District's primary long-range planning document, the Strategic Plan, is being updated to include a five-year strategic budget comprised of the District's Five-year Operating Projection and Five-year Capital Improvement Plan.

Capital plans for the next three to five years are bolstered by the availability of fund balances that have been committed over the District's planning horizon by Governing Board resolution for specific purposes and grouped by major initiatives. The District has implemented an enhanced project management system to assist in project tracking, management, and budget planning/reporting. The system enhances budgetary control over capital projects.

The District's planning and budgeting cycle is summarized below.

# Annual Strategic Planning and Budgeting Cycle



## Financial Policies

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

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

Through various efficiency measures and the planned utilization of committed fund balances, the FY 2013–2014 revenues and appropriated fund balances fully support current year appropriations. The FY 2014–2015 budget focuses on core missions and priority projects.

## Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year that ended September 30, 2013. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The District also received the GFOA Distinguished Budget Presentation award for its FY 2013–2014 budget. It was the sixth consecutive year the District received the award for the budget document, which guides the District's fiscal policy.

The District's Office of Financial Services appreciates the collaborative work of numerous District employees who helped in the preparation of this report.

Respectfully submitted,



Michael R. Givens, CPA  
Director, Office of Financial Services



R. Gregory Rockwell, CPA  
Finance Director



Government Finance Officers Association

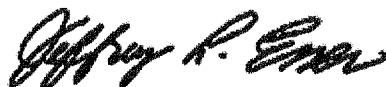
**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

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

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2013**

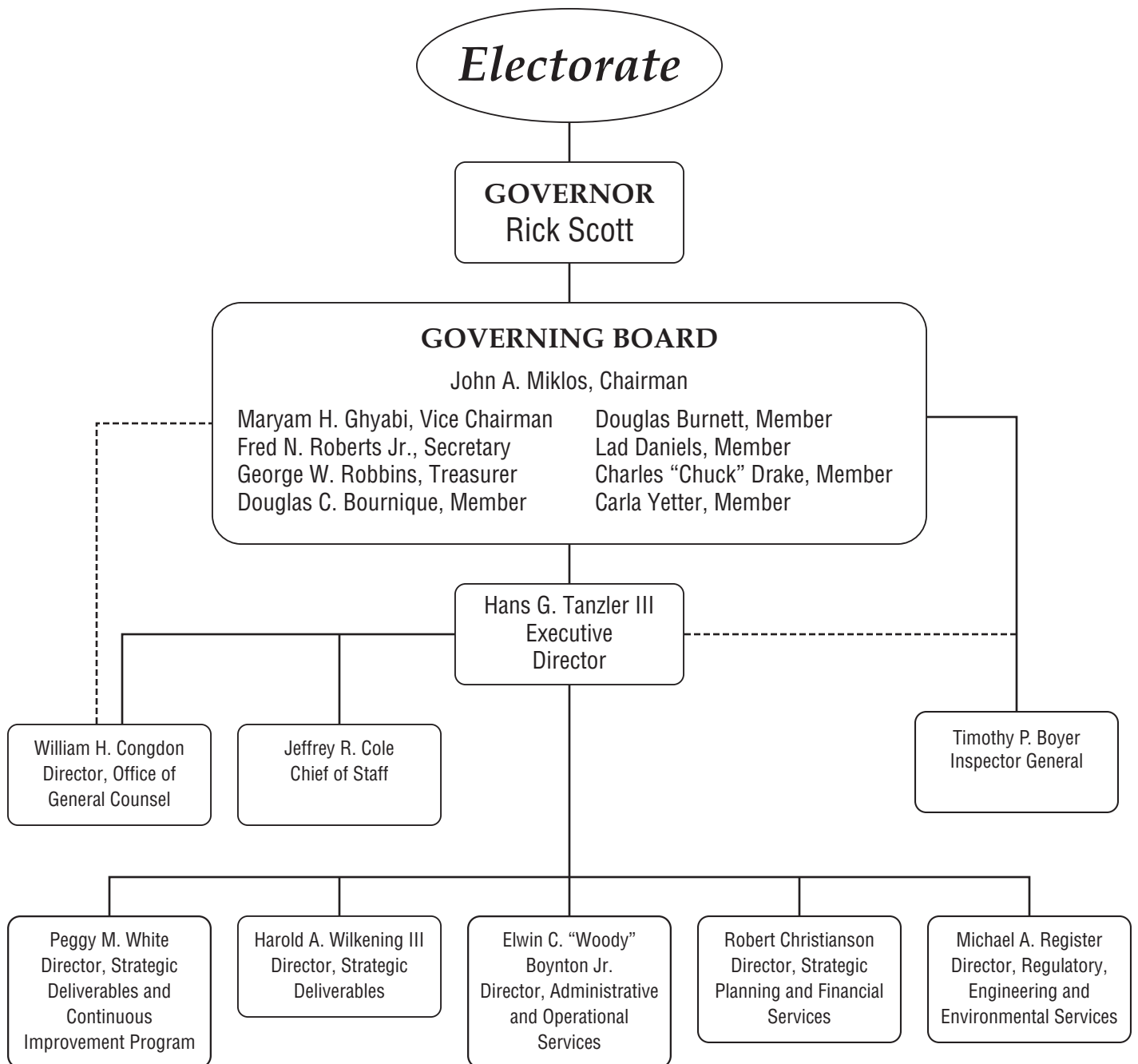


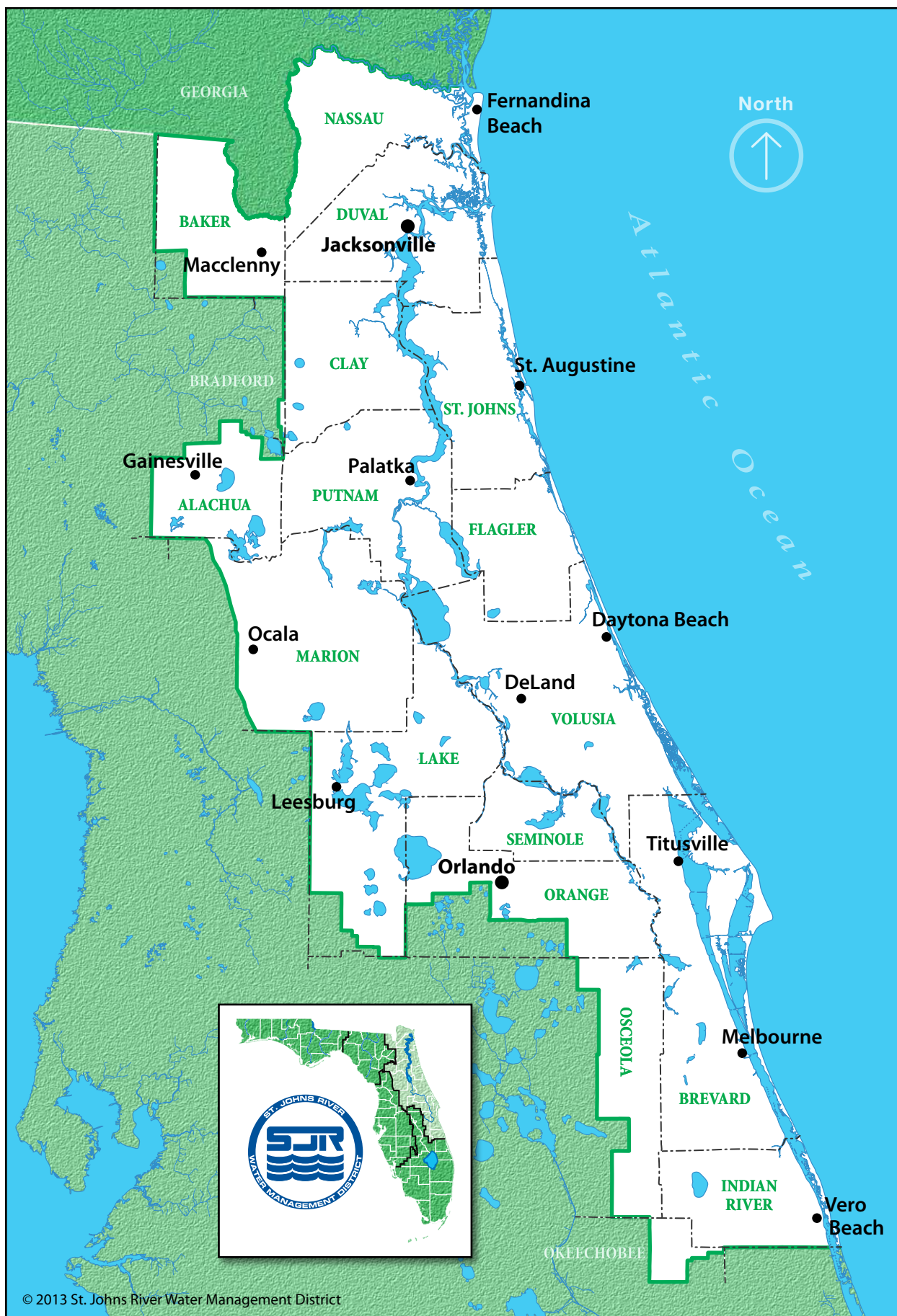
Executive Director/CEO



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

**As of Sept. 30, 2014**





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# **Comprehensive Annual Financial Report**

## **Financial Section**

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







## *Independent Auditors' Report*



## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Johns River Water Management District, a component unit of the State of Florida, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise St. Johns River Water Management District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

St. Johns River Water Management District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of St. Johns River Water Management District, as of September 30, 2014, 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.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14, the budgetary comparison information on pages 58 through 62, and the schedule of funding progress on page 66, be presented to supplement the basic financial statements. Such information, 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.

### ***Other Information***

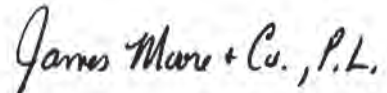
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. Johns River Water Management District's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Section 215.97, Florida Statutes, *Florida Single Audit Act*; and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2015 on our consideration of St. Johns River Water Management District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering St. Johns River Water Management District's internal control over financial reporting and compliance.

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

Gainesville, Florida  
February 9, 2015



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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

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

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

### **FINANCIAL HIGHLIGHTS**

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

- Total assets exceeded total liabilities by \$1,318,312,908, as of September 30, 2014, primarily the result of significant ownership of non-depreciable assets in the form of land (\$826,131,382) and easements (\$179,779,783) owned by the District. Net position increased \$19,579,898, or 1.5%, this year compared to a \$12,826,346, or 1.0%, increase the prior year.
- Total revenues increased \$10 million or 9.3% in fiscal year (FY) 2013–2014 from FY 2012–2013. These increases in total revenues are attributed primarily to a \$7.7 million increase in donated conservation easements.
- Total fund balance increased \$786,300, or 0.4%, from the previous fiscal year. A further breakdown of fund balance changes by individual funds is discussed in the Financial Analysis of the Government's Funds section.
- Total governmental fund level revenues increased \$2.2 million in FY 2013–2014 compared to FY 2012–2013, primarily the result of year-over-year increases in District source revenues.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The District's basic financial statements are comprised of three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

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



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

The statement of activities presents information to show how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government wide financial statements present functions of the District (governmental activities) that are primarily supported by property taxes and intergovernmental revenues (operating grants and contributions from the state of Florida). The governmental activities of the District include water resources planning and monitoring; acquisition, restoration, and public works; operation and maintenance of lands and works; regulation; outreach; and District management and administration.

The government wide financial statements include only the District. There are no component units for which the District is financially accountable. The government wide financial statements can be found on pages 17–19 of this report.

**Fund financial statements** — A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, as with other governmental bodies, uses fund accounting to demonstrate compliance with finance related legal requirements.

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

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

The District maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the special revenue funds for Ecosystems Management Trust, Mitigation and State Grants, all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation.

The District adopts annual budgets for all governmental funds. Budgetary comparison schedules are provided that include the original and final appropriated budgets as well as the final actual results of operations for the General Fund and the Ecosystems Management Trust, Mitigation and State Grants special revenue funds to demonstrate compliance with these budgets. The budgetary comparison schedules for the four major funds are being reported as Required Supplemental Information and are presented after the Notes to the Financial Statements beginning on page 57. Budgetary comparison schedules for the other governmental funds are presented as Other Supplemental Information, beginning on page 74.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

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

The adopted budgets for the General Fund, the Ecosystems Management Trust, Mitigation, Land Management, Water Protection and Sustainability, State Grants, Federal Grants, Long-term Maintenance Mitigation and Special Revenue Funds—Other special revenue funds and the Capital Projects fund include re-appropriated encumbrances of unspent balances (\$20 million) of previously approved appropriations and the related source of funds anticipated to be used to fund those appropriations.

The basic governmental fund financial statements can be found on pages 20–25 of this report.

**Notes to the financial statements** — The notes provide additional information that is essential to a full understanding of the data provided in the government wide and fund financial statements. The notes to the financial statements can be found on pages 27–55 of this report.

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

**GOVERNMENT WIDE FINANCIAL ANALYSIS**

Over time, changes in the District's net position serve as one useful measure of the District's financial condition. The following condensed comparisons show how the District's net position changed from the end of the FY 2012–2013. The overall condition of the District improved in fiscal years 2012, 2013 and 2014.

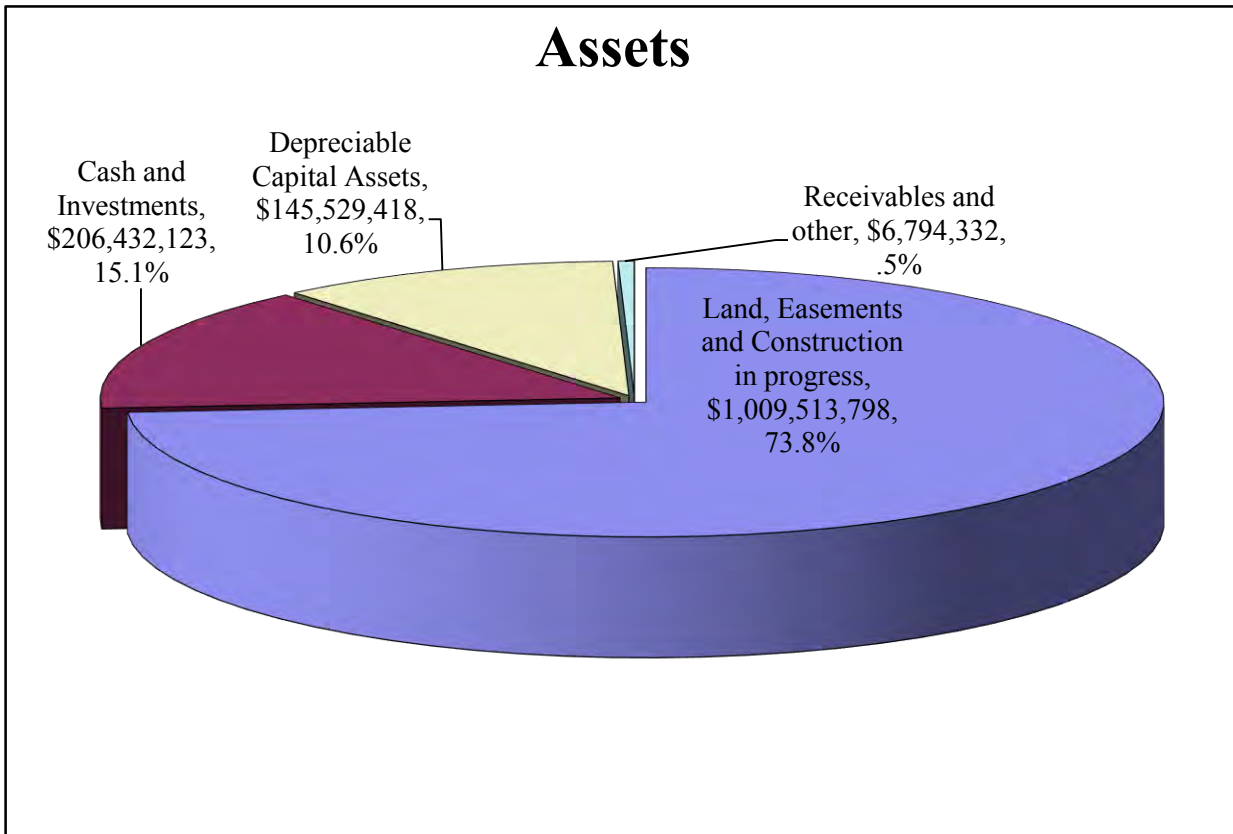
**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT'S NET POSITION**

	<u>2014</u>	<u>2013</u>
Current and other assets	\$ 213,226,455	\$ 206,458,595
Capital assets, net	1,155,043,216	1,143,245,328
Total assets	<u>1,368,269,671</u>	<u>1,349,703,923</u>
Long-term liabilities outstanding	23,752,595	30,698,710
Other liabilities	26,204,168	20,272,203
Total liabilities	<u>49,956,763</u>	<u>50,970,913</u>
Net position		
Net investment in capital assets	1,142,674,165	1,125,006,751
Restricted	32,435,993	33,148,716
Unrestricted	143,202,750	140,577,543
Total net position	<u>\$ 1,318,312,908</u>	<u>\$ 1,298,733,010</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Total net position increased by \$19,579,898 or 1.5 %, from September 30, 2013. The improvement in net position is in large part attributable to a \$7.7 million increase in conservation easement donations received by the District through the environmental resource permitting process. The District's cash and investment position increased \$6.5 million from fiscal year 2012–2013. This can be primarily attributed to year over year District source revenues increasing \$2.2 million and additional unspent advances of state grant appropriations of over \$1.8 million.

The District had a \$3.2 million, 2,478 acre conservation easement purchase in Clay County and a \$1.0 million, 298-acre land purchase in Volusia County, both funded with Florida Department of Transportation mitigation appropriations. The District also paid down \$5.8 million of its outstanding long-term debt with Water Management Lands Trust fund revenues, while the following long-term liabilities had small net decreases; other post-employment benefits of -\$ .3 million and outstanding compensated absences of -\$ .8 million.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT'S CHANGE IN NET POSITION**

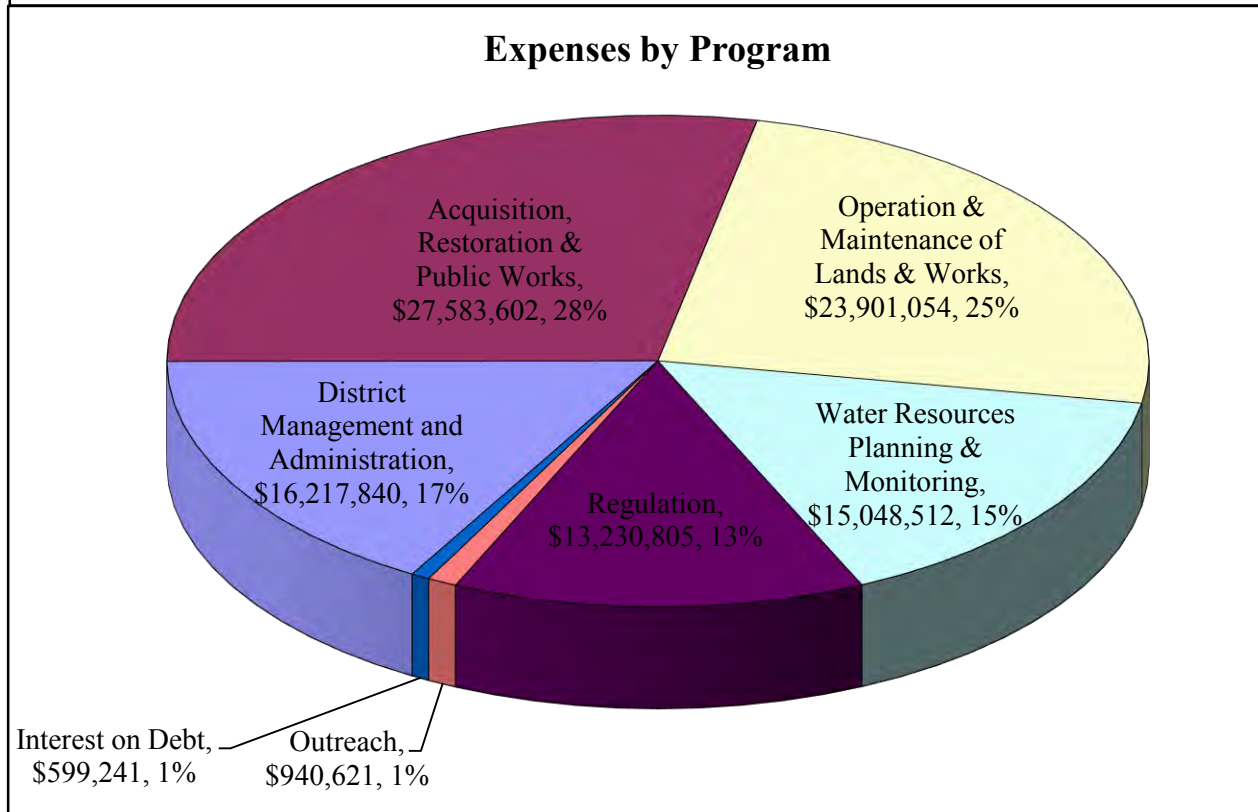
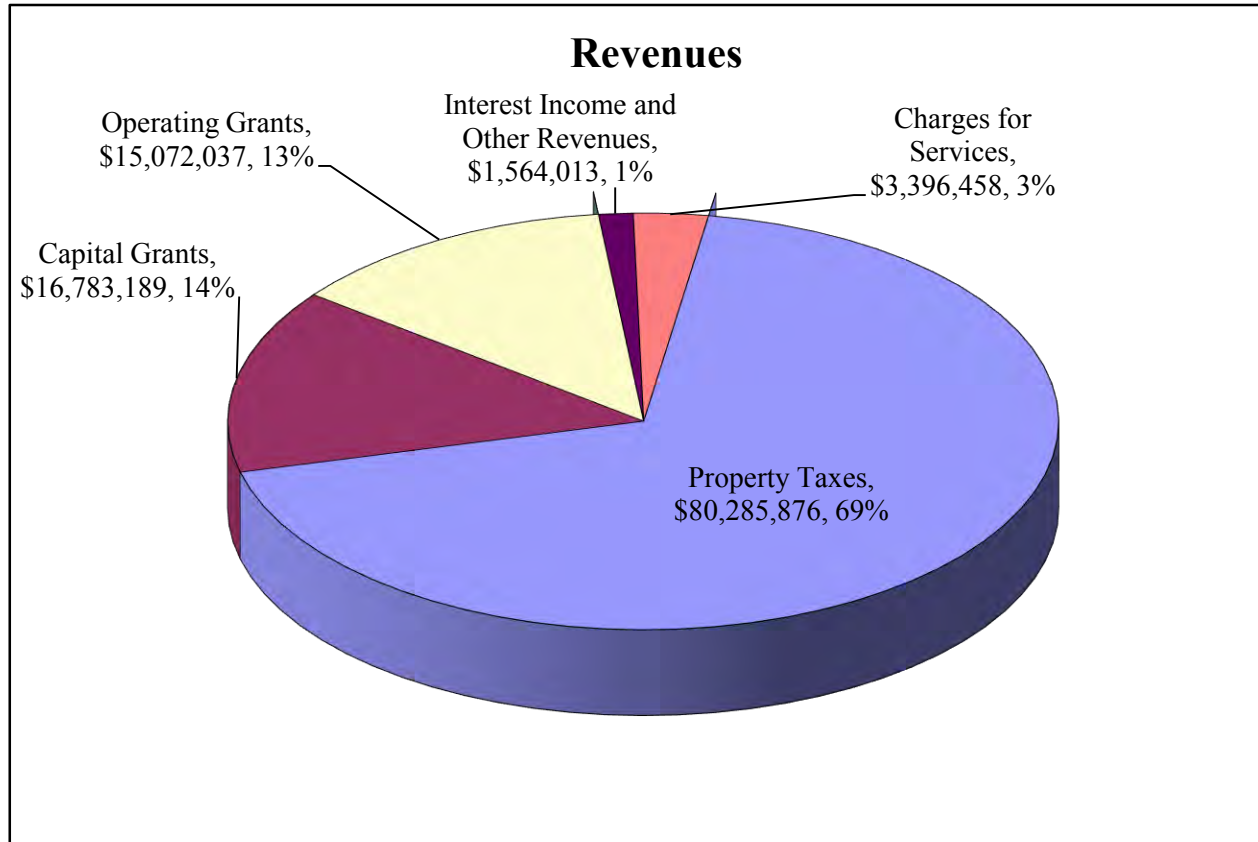
	<b>2014</b>	<b>2013</b>
Revenues		
Program revenues:		
Charges for services	\$ 3,396,458	\$ 2,386,637
Operating grants and contributions	15,072,037	14,206,955
Capital grants and contributions	16,783,189	10,062,697
General revenues:		
Ad valorem property taxes	80,285,876	79,630,212
Unrestricted investment earnings	1,131,270	720,372
Other revenue	432,743	107,704
Total revenues	<u>117,101,573</u>	<u>107,114,577</u>
Expenses		
Water resources planning and monitoring	15,048,512	13,955,220
Acquisition, restoration and public works	27,583,602	22,903,593
Operation and maintenance of lands and works	23,901,054	24,134,473
Regulation	13,230,805	14,145,560
Outreach	940,621	904,300
District management and administration	16,217,840	17,289,120
Interest on long-term debt	599,241	955,965
Total expenses	<u>97,521,675</u>	<u>94,288,231</u>
Increase in net position	19,579,898	12,826,346
<b>Net position</b> , beginning of the year	<u>1,298,733,010</u>	<u>1,285,906,664</u>
<b>Net position</b> , end of the year	<u><u>\$ 1,318,312,908</u></u>	<u><u>\$ 1,298,733,010</u></u>

Total revenues increased by 9.3%, or \$9,986,996, from the previous year. The increase is primarily attributable to the \$6.7 million increase in capital and operating grants and contributions, the \$1.4 million increase in general revenues and \$1 million increase in charges for services compared to the prior year. Capital grants and contributions primarily increased due to a over \$7.7 million increase in donated conservation easements received through the District's permitting process year over year. The 0.8%, or \$655,664 increase in ad valorem tax revenues can be attributed to new construction and increases in property values within the District boundaries outpacing the 0.9% millage rate reduction from 0.3313 to 0.3283mills year over year. Investment earnings increased due to a combination of new investment purchases with slightly higher interest rates coupled with a managed portfolio that netted \$.5 million in realized gains.

Total expenses increased 3.4%, or \$3,233,444, compared to the previous year. The 20.4%, or \$4.7 million increase in Acquisition, Restoration and Public Works is the primarily the result of the above mentioned \$7.7 million increase in donated conservation easements offset by \$2.5 million less in expenditures in FY 2014 for fixed capital outlay – Fellsmere Water Management Area project and over \$.3 million less in cooperative funding expenditures. The approximate \$1.0 million reduction in reported expenses for both Management and Administration and Regulation is due in part to gains in efficiencies and streamlined processes through a realignment of management and staff.

The 8% or \$1.1 million increase in expenses for Water Resources Planning and Monitoring is the due to a \$.8 million increase in spending in the water resource information, \$.2 million increase in the water supply planning program and \$.1 million increase in groundwater resource assessment. These increases in spending are for additional study and monitoring for the Springs and Indian River Lagoon Initiatives.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**





**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

The General Fund is the chief operating fund of the District. As of September 30, 2014, total fund balance was \$142,345,758, of which \$1,030,023 was represented by inventory on hand and other non-spendable assets; \$125,260,000 was committed by action of the Governing Board for identified future capital needs; \$16,013,221 was assigned by executive management for specific purposes; and \$42,514 was unassigned, compared to \$2,104,987 on September 30, 2013.

The overall fund balance of all of the District's funds increased by \$786,300. Key factors explaining the changes in the General Fund and individual major funds include:

- General Fund balance decreased by \$3,597,618 primarily due to a \$7.4 million transfer of committed land management funds to a newly created special revenue fund, off set by year over year increases in District source revenues of \$1.7 million and decreases in spending for cooperative funding and cost share projects of \$1.7 million.
- Capital Projects Fund, Water Protection and Sustainability Fund, Long-term Maintenance Mitigation Fund, and Indian River Lagoon License Tag Fees Fund decreased (\$2,053,764, \$294,712 and \$284,553 and \$43,726), respectively as the result of project spending (Fellsmere Water Management Area and district-wide Alternative Water Supply Projects) using resources set aside from previous fiscal years. Florida Forever Fund decreased by (\$156,568) due to returning funds from the sale of lands back to the appropriate State of Florida trust fund.
- Total governmental fund level expenditures increased \$1.3 million in FY 2013–2014 compared to FY 2012–2013. The net increase was primarily the result of increases in spending for water resources planning and monitoring for the Springs and Indian River Lagoon Initiatives.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's General Fund spent a total of \$15,900,217 less than budgeted expenditures in all spending categories in FY 2013–2014 as a result of a continued focus by District management on reducing operating expenditures through right-sizing staffing levels and enhancing oversight of contractual services. The largest budget variance of \$11,904,071 was in the acquisition, restoration and public works category, second largest of \$1,374,459 was in the operation and maintenance of lands and works category and third largest of \$1,357,471 was in the water resources planning and monitoring category. The nearly \$12 million budget variance in the acquisition, restoration and public works category is primarily the result of unspent grants and aids of \$8 million to local governments (cost-share and cooperative funding) and unspent other personal services of \$4 million in the form of contractual/ consultant services, scientific research and analysis and surface water restoration expenditures.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Total expenditures for the General Fund were relatively equal to fiscal year 2012-2013, only increasing \$350,270 or 0.4%.

The historical trend of positive General Fund budget variances continued for the FY 2013–2014, with the current year's 83% utilization of appropriations consistent with historical utilization.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets** — The District's investment in capital assets for its governmental activities as of September 30, 2014, amounted to \$1,155,043,216 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems improvements, machinery and equipment, public access facilities, levees, canals, water control structures, and bridges. Major capital asset additions occurred during FY 2013–2014 valued at \$36.3 million with additions to easements of \$19,308,403, land of \$9,107,384 and infrastructure of \$4,098,521 being the largest. It is normal for the District to have large additions to land and easements, as these assets are either purchased for conservation and water resource enhancement or donated to the District through the permitting process. The District's capital asset increase in infrastructure is mainly from construction expenditures on the Fellsmere Water Management Area project. Additional information on the District's capital assets can be found in note 4 on page 40 of this report.

**Long-term debt** — At year end, the District had total bonded debt outstanding of \$12,290,000, of which \$6,025,000 was due within one year and final payment is in 2016. In addition, the District has long-term obligations of \$5,533,485 for vested leave balances earned by employees, \$2,500,000 for claims and judgments owed, and \$3,350,059 for the other post-employment benefits. Additional information on the District's long-term debt can be found in note 9, starting on page 46 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

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

The millage rate for the fiscal year decreased 1% from 0.3313 mills in FY 2012–2013 to 0.3283 mills in FY 2013–2014, while the 2014-2015 millage rate decreased 4% to 0.3164 mills. Current estimates indicate that taxable values on existing properties in the 18 counties covered by the District have stabilized and are estimated to increase slightly by 1-2% annually. Level or lower millage, when combined with stabilization of existing taxable values and nominal growth in taxable values attributable to new construction and assessed property appreciation, provide a basis for a projected slow recovery in property tax revenues for the District in future periods.

Documentary Stamp Tax collections assessed on real estate transactions statewide are the primary revenue source for the state in providing funding to the District while sales tax collections are secondary. As a result of the slow down in the real estate markets over the last several years, coupled with an overall slowdown in the state economy and tourism, available funding through state grant activity remains at lower levels when compared to prior fiscal periods. In FY 2013–2014, the state provided the District \$5.6 million for St. Johns River Restoration projects. The state continued to appropriate funds from its Water Management Lands Trust Fund to pay the District's FY 2013–2014 and FY 2014–2015 annual debt service obligation. In November of 2014, the voters passed Amendment 1, which will allocate future dollars to fund land acquisition for conservation purposes.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Residential and commercial construction have shown signs of recovery, along with overall improved economic indicators both statewide and districtwide, bringing with it an expected growth in Ad Valorem Property Tax revenues and Documentary Stamp Tax and Sales Tax collections. The District's outstanding debt annual payments for principal and interest are funded with an allocation from Documentary Stamp Taxes and will be paid off in June 2016.

The District has accumulated resources over the past fiscal years and plans to spend down those resources to fund or assist in the development of one or more regionally significant water resource or supply development projects contained in its multi-year capital plan.

**REQUESTS FOR INFORMATION**

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



## *Basic Financial Statements*





**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2014**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 17,412,552
Investments	189,019,571
Accounts and other receivables	856,573
Inventories	394,873
Intergovernmental receivables	4,907,736
Prepaid items	635,150
Non-depreciable capital assets:	
Land	826,131,382
Easements	179,779,783
Construction in progress	3,602,633
Depreciable capital assets:	
Buildings	36,324,024
Machinery and equipment	36,127,663
Infrastructure	171,521,432
Other depreciable assets	4,939,394
Accumulated depreciation	(103,383,095)
<b>Total assets</b>	<b>1,368,269,671</b>
<b>LIABILITIES</b>	
Accounts payable and other current liabilities	13,683,837
Unearned revenue	12,307,998
Due to other governmental units	88,423
Accrued interest payable	123,910
Long-term liabilities:	
Due within one year	9,023,784
Due in more than one year	14,728,811
<b>Total liabilities</b>	<b>49,956,763</b>
<b>NET POSITION</b>	
Net investment in capital assets	1,142,674,165
Restricted for:	
Debt service	6,347,864
Water protection and sustainability/alternative water supply	13,100,847
Land management/acquisition	12,987,282
Unrestricted	143,202,750
<b>Total net position</b>	<b>\$ 1,318,312,908</b>

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Function / Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities			
Water resources planning and monitoring	\$ 15,048,512	\$ -	\$ 678,589
Acquisition, restoration, and public works	27,583,602	-	13,638,854
Operation and maintenance of lands and works	23,901,054	1,885,825	402,739
Regulation	13,230,805	1,510,633	10,015
Outreach	940,621	-	-
District management and administration	16,217,840	-	341,840
Interest on long-term debt	599,241	-	-
Total governmental activities	\$ 97,521,675	\$ 3,396,458	\$ 15,072,037

**General Revenues:**

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

**Increase in net position**

**Net position, beginning of year**

**Net position, end of year**

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

	Net (Expenses) Revenues and Changes in Net Position
Capital Grants and Contributions	Governmental Activities
\$ -	\$ (14,369,923)
16,771,608	2,826,860
11,581	(21,600,909)
-	(11,710,157)
-	(940,621)
-	(15,876,000)
-	(599,241)
<u>\$ 16,783,189</u>	<u>(62,269,991)</u>

80,285,876
432,743
1,131,270
<u>81,849,889</u>
19,579,898
<u>1,298,733,010</u>
<u>\$ 1,318,312,908</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**BALANCE SHEET- GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2014**

	<u>General Fund</u>	<u>Ecosystems Management Trust</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 17,410,233	\$ -
Investments	128,346,980	4,909,313
Accounts and other receivables	828,812	-
Due from other funds	2,849,500	-
Inventories	394,873	-
Intergovernmental receivables	-	-
Prepaid items	635,150	-
<b>Total assets</b>	<u>150,465,548</u>	<u>4,909,313</u>
<b>Liabilities and fund balances</b>		
Liabilities		
Accounts payable	8,119,790	1,059,974
Due to other funds	-	228
Unearned revenue	-	3,849,111
Due to other governmental units	-	-
Total liabilities	<u>8,119,790</u>	<u>4,909,313</u>
Fund balances		
Nonspendable	1,030,023	-
Restricted	-	-
Committed	125,260,000	-
Assigned	16,013,221	-
Unassigned	42,514	-
Total fund balances	<u>142,345,758</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u><u>\$ 150,465,548</u></u>	<u><u>\$ 4,909,313</u></u>

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



<b>Mitigation</b>	<b>State Grants</b>	<b>Non–major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ 2,319	\$ 17,412,552
4,726,193	4,275,370	46,761,715	189,019,571
-	-	27,761	856,573
-	-	-	2,849,500
-	-	-	394,873
-	3,833,839	1,073,897	4,907,736
-	-	-	635,150
<u>4,726,193</u>	<u>8,109,209</u>	<u>47,865,692</u>	<u>216,075,955</u>
148,839	2,183,170	2,172,064	13,683,837
-	2,526,104	323,168	2,849,500
4,577,354	3,399,935	481,598	12,307,998
-	-	88,423	88,423
<u>4,726,193</u>	<u>8,109,209</u>	<u>3,065,253</u>	<u>28,929,758</u>
-	-	-	1,030,023
-	-	32,559,903	32,559,903
-	-	12,240,000	137,500,000
-	-	536	16,013,757
-	-	-	42,514
<u>-</u>	<u>-</u>	<u>44,800,439</u>	<u>187,146,197</u>
<u>\$ 4,726,193</u>	<u>\$ 8,109,209</u>	<u>\$ 47,865,692</u>	<u>\$ 216,075,955</u>



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2014**

Total fund balances – governmental funds	\$ 187,146,197
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Amounts reported for governmental activities in the statement of net position are different because:

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

Capital assets, at cost	1,258,426,311	
Accumulated depreciation	(103,383,095)	
		1,155,043,216

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

Bonds payable	(12,290,000)	
Unamortized bond premium	(79,051)	
		(12,369,051)

Certain liabilities reported in governmental activities are financial resources and, therefore, are not reported in the funds:

Compensated absences	(5,533,485)	
Accrued interest payable	(123,910)	
Other post-employment benefit payable	(3,350,059)	
Claims and judgments	(2,500,000)	

Net position of governmental activities	<u><u>\$ 1,318,312,908</u></u>
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**The accompanying notes to financial statements are an integral part of this statement.**

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>General Fund</u>	<u>Ecosystems Management Trust</u>
<b>Revenues</b>		
Ad valorem property taxes	\$ 80,285,876	\$ -
State	-	1,656,913
Federal	-	-
Investment earnings	1,033,254	-
Local mitigation	-	-
Licenses and permits	1,504,706	-
Cities and counties	-	-
Lease and timber sales	-	-
Fines and penalties	5,927	-
Other	432,743	-
Total revenues	<u>83,262,506</u>	<u>1,656,913</u>
<b>Expenditures</b>		
Current:		
Water resources planning and monitoring	14,969,081	-
Acquisition, restoration, and public works	18,297,236	1,656,685
Operation and maintenance of lands and works	16,149,151	-
Regulation	13,501,058	-
Outreach	963,860	-
District management and administration	15,746,629	-
Debt service:		
Principal	-	-
Interest and fiscal charges	-	-
Total expenditures	<u>79,627,015</u>	<u>1,656,685</u>
<b>Excess of revenues over (under) expenditures</b>	<u>3,635,491</u>	<u>228</u>
<b>Other financing sources (uses):</b>		
Transfers in	318,954	-
Transfers out	(7,646,406)	(228)
Sale of capital assets	94,343	-
Transfer out - refund to state	-	-
Total other financing sources (uses)	<u>(7,233,109)</u>	<u>(228)</u>
<b>Net change in fund balances</b>	(3,597,618)	-
<b>Fund balances, beginning of year</b>	<u>145,943,376</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 142,345,758</u></u>	<u><u>\$ -</u></u>

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



<b>Mitigation</b>	<b>State Grants</b>	<b>Non–major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 80,285,876
5,491,635	5,181,740	6,835,084	19,165,372
-	-	1,630,939	1,630,939
-	-	98,016	1,131,270
22,887	-	2,590	25,477
-	-	-	1,504,706
-	-	358	358
-	-	1,885,825	1,885,825
-	-	-	5,927
-	-	205,770	638,513
<u>5,514,522</u>	<u>5,181,740</u>	<u>10,658,582</u>	<u>106,274,263</u>
-	300,000	378,588	15,647,669
5,129,630	4,704,097	4,199,342	33,986,990
328,131	81,625	2,490,600	19,049,507
-	-	10,015	13,511,073
-	-	-	963,860
-	-	1,648	15,748,277
-	-	5,830,000	5,830,000
-	-	688,362	688,362
<u>5,457,761</u>	<u>5,085,722</u>	<u>13,598,555</u>	<u>105,425,738</u>
<u>56,761</u>	<u>96,018</u>	<u>(2,939,973)</u>	<u>848,525</u>
-	-	7,669,292	7,988,246
(56,761)	(96,018)	(188,833)	(7,988,246)
-	-	-	94,343
-	-	(156,568)	(156,568)
<u>(56,761)</u>	<u>(96,018)</u>	<u>7,323,891</u>	<u>(62,225)</u>
-	-	4,383,918	786,300
-	-	40,416,521	186,359,897
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,800,439</u>	<u>\$ 187,146,197</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Net change in fund balances – total governmental activities \$ 786,300

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

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

Capital assets acquired with financial resources	11,588,534	
Current year depreciation	(8,348,970)	
Contributions of capital assets	10,827,310	
		14,066,874

In the fund level statements, the entire amount of proceeds from the sale of capital assets is reported as an increase in financial resources. In the statement of activities, the amount reported is only the gain on disposal. The change in net assets differs from the change in fund balance by the net book value (original cost less depreciation at date of sale) of the assets sold, as well as the net book value of assets transferred to other agencies. (2,268,986)

Governmental funds report certain bond transactions as resources, uses, or expenditures. However, in the statement of activities these transactions are reported as expenses over the life of the debt:

Current year amortization of bond premiums	39,526
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Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	5,830,000
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Some expenses reported in the statement of activities did not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Those include:

Accrued compensated absences	818,496	
Accrued interest payable	49,595	
Other post-employment benefit payable	258,093	
		1,126,184

Change in net position of governmental activities	\$ 19,579,898
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**The accompanying notes to financial statements are an integral part of this statement.**



## *Notes to the Financial Statements*

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

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

- (a) Basis of Presentation** — The District's financial statements are prepared in accordance with accounting principles generally accepted in the U.S. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles generally accepted in the U.S. for state and local governments through its pronouncements (Statements and Interpretations).
- (b) Reporting Entity** — The District is a public corporation created by Chapter 373, *Florida Statutes*, known as the Florida Water Resources Act of 1972. The District is governed by a nine-member board that is appointed by the Governor and confirmed by the state Senate. The accompanying financial statements present the District's funds and activities. As required by accounting principles generally accepted in the U.S., these financial statements present the District as a component unit of the state of Florida. Based on the criteria listed below, the state of Florida is considered a primary government.

A primary government is financially accountable for an organization if: (1) it appoints a voting majority of the organization's governing board; (2) it is able to impose its will on the organization; (3) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government; or (4) total outstanding debt, including leases, is expected to be repaid entirely or almost entirely with resources from the primary government. Based upon meeting all of the above criteria, the District is considered to be a component unit of the state of Florida and is disclosed as such in the state of Florida financial statements.

The District's financial statements for the fiscal year ending September 30, 2014 will be incorporated in the state's June 30, 2015 financial statements, therefore, the District must adopt all GASB pronouncements in advance of the state of Florida.

- (c) Basis of Presentation — Government-Wide Financial Statements** — The government-wide financial statements consist of a statement of net position and a statement of activities to report information about the District as a whole. The statement of net position reports all financial and capital resources. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

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

The District reports the following major governmental funds:

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

The *Ecosystems Management Trust Fund* is a special revenue fund that accounts for restricted state revenues received from the Ecosystems Management Trust Fund, administered by the Florida Department of Environmental Protection, pursuant to Section 403.1651, *Florida Statutes*. The expenditures are for detailed planning and implementation of programs for the management and restoration of ecosystems, including the Surface Water Improvement and Management (SWIM) Program.

The *Mitigation Fund* is a special revenue fund that accounts for both local and Florida Department of Transportation wetland mitigation program revenues, pursuant to Section 373.4137, *Florida Statutes*, designed to offset the adverse environmental impacts associated with the construction of transportation projects. The expenditures are transferred to and made from other funds when appropriate.

The *State Grants Fund* accounts for miscellaneous restricted revenues received from the state of Florida and related expenditures. This fund is supported by reimbursable grants from state of Florida agencies other than Water Management Lands Trust, Ecosystems Management Trust, Florida Forever Trust and Florida Department of Transportation mitigation revenues, each of which is accounted for in its own special revenue fund.

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

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

The government-wide financial statements are reported by using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

Governmental fund financial statements are reported by using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. An exception to this is federal and state grants collected on a reimbursement basis, which are recognized as revenue when reimbursable expenditures are made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisition under capital leases are reported as other financing sources.

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

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

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

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

- (f) Classification of Expenditures** — The District currently categorizes the expenditures and budget data it submits to the Governor’s Office, the Department of Environmental Protection, and the Legislature by six program areas. These programs, which are set forth in Section 373.536(5)(e)4, *Florida Statutes*, are each described as follows:
- **Water Resources Planning and Monitoring** — This program area includes all water management planning, including water supply planning, development of minimum flows and levels, and other water resources planning; research, data collection, analysis, and monitoring; and technical assistance, including local and regional plan and program review.
  - **Acquisition, Restoration, and Public Works** — This program area includes the development and construction of all capital projects (except for those contained in the Operation and Maintenance of Lands and Works program area), including land acquisition, water resource development projects, water supply development assistance, alternative water supply, land restoration, surface water restoration, and facilities construction projects.
  - **Operation and Maintenance of Lands and Works** — This program area includes all operation and maintenance of facilities, flood control and water supply structures, lands, and other works authorized by Chapter 373, *Florida Statutes*.
  - **Regulation** — This program area includes consumptive use permitting, water well permitting and water well contractor licensing, environmental resource and surface water management permitting, permit administration and enforcement, and any delegated regulatory program.
  - **Outreach** — This program area includes all public information and outreach, including websites; social media; coordination and communication with the media, public, schools and stakeholder groups; and production and dissemination of information materials. Outreach is the primary responsibility of the Office of Communications and Intergovernmental Affairs and supports all District divisions and offices.
  - **District Management and Administration** — This program area includes all Governing Board support, executive support, general counsel, human resources, finance, audit, risk management, administrative services, telecommunications, computer information, and tax collector and property appraiser fees.

The State of Florida uses a different expenditure category model in their Comprehensive Annual Financial Report that groups the budget and expenditures under the following categories: Salaries and Benefits, Other Personal Services, Expenses, Grants and Aids, Operating Capital Outlay, Fixed Capital Outlay and Debt Service: Principal Retirement and Interest and Fiscal Charges. For a Districtwide budget and actual expenditure detail using the State of Florida model, see note 16.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

- (g) Cash, Cash Equivalents and Investments** — The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The District utilizes pooled cash accounting whereby excess monies are aggregated for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund and the funds individual earnings guidelines. Negative cash balances in individual funds are reported as interfund payables with offsetting receivables recorded in loaning fund(s). In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the District reports investments at their fair value, with unrealized gains and losses credited to or charged against investments earnings. (See Note 3)
- (h) Receivables and Payables** — Activity between funds that are representative of accounting transactions outstanding at the end of the fiscal year are referred to as due to/from other funds.
- (i) Prepaid Items** — Prepaid items consist of rent payments, software maintenance services, and tax collector and property appraiser fees, which have been paid prior to the end of the fiscal year, but represent expenses which are applicable to future accounting periods. These amounts do not constitute available spendable resources even though they are a component of currents assets.
- (j) Inventories** — All inventories are valued at average cost and consist of chemicals and supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when purchased.
- (k) Capital Assets** — A capital asset is real or personal, tangible or intangible property that has a cost equal to or greater than an established capitalization threshold and has an estimated useful life extending beyond one year. The District reports capital assets under the following categories and thresholds:

Land and land improvements	Capitalize all
Easements	Capitalize all
Buildings	\$1,000
Buildings improvements	\$100,000
Infrastructure and infrastructure improvements	\$100,000
Machinery and equipment	\$1,000
Software	\$1,000
Ground water and surface water models	\$1,000,000
Construction in progress	Accumulate all costs and capitalize at the completion of the project or at a major percentage of completion for long-term projects

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

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

Costs related to the development of computer software are expensed as incurred until: (a) the District has completed the preliminary project stage (i.e., the conceptual formulation and evaluation of alternatives, determination of the existence of needed technologies, and final selection of software development alternatives); and (b) management has implicitly and explicitly authorized or committed to funding the project. Activities related to the application development stage of internally generated computer software (e.g., software configuration and software interfaces, coding, installation to hardware, and testing) are capitalized at the amount of the associated outlays. Post-implementation activities, such as application training and software maintenance, are expensed as incurred. Costs associated with data conversion are also expensed if such activities are not necessary for internally developed software to become operational.

Ground water and surface water models developed and enhanced by the District are capitalized when the costs exceed \$1 million. The costs are accumulated in construction in progress until the model is in a functioning state available for use by the District and other governmental units/ utilities or firms. These models are depreciated over their estimated useful lives of ten to fifty years. All costs to develop, enhance or maintain these models are capitalized except for peer review services.

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

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

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

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

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

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

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

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

- (n) **Long-Term Obligations** — In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities of governmental activities in the statement of net position.

- (o) **Fund Balance** — Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are Nonspendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of constraint placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note 15.

- (p) **Property Taxes** — The District is authorized by Section 373.503, *Florida Statutes*, to levy ad valorem taxes on all real and personal property located within the District, not to exceed 0.60 mills. The rate for the 2013–2014 fiscal year was 0.3283 mills. The property assessment and tax collection functions are performed by appropriate officials of county government in each of the 18 counties comprising the District. Commissions are paid to the counties for these appraisal and collection services.

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

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(1) Summary of Significant Accounting Policies (p) (Concluded):**

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

- (q) **Use of Estimates** — The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from these estimates.

**(2) Budgetary Information:**

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

In fiscal year 2012–2013, the District sold land and easements originally purchased with Florida Forever funding. Consistent with previous occurrences the District estimated all of the proceeds from those sales would be redeployed for either additional land purchases or restoration activities within 12 months of receipt in accordance with restrictions placed on proceeds from the sale of Florida Forever purchases. Based on that timing estimate, the District recognized revenue in fiscal year 2012–2013. At year end, the District had an unspent balance of \$156,568. The District did not identify an appropriate use for these funds prior to the expiration of the 12 month reuse period, and returned the funds to the state in accordance with guidelines, recording the refund to the state as a transfer out. Since this refund resulted from a change in budgetary estimate made in the ordinary course of accounting for these items, no prior period amounts were restated and the required refund to the state was made without appropriation.

In fiscal year 2013–2014, the District sold easements and land on the following properties: Block property, \$85,743 and Newnan's Lake property, \$64,040; combined with the unspent balance from fiscal year 2012–2013 of \$156,568 in the Florida Forever Fund discussed above, for a total of \$306,351. The District transferred this balance to the Florida Department of Environmental Protection for deposit in the appropriate trust funds, and will be available to the District for appropriation in future years.

**(3) Cash and Investments:**

The District's bank accounts were deposited in state-qualified public depositories. The entire balance was insured by federal depository insurance or by collateral held by the District's custodial bank, which is pledged to a state trust fund that provides security in accordance with the Florida Security for Deposits Act, Chapter 280, for amounts held in excess of Federal Deposit Insurance Corporation limits.

The foremost objective of the District's investment policy is the safety of capital and liquidity of funds. Achieving an optimal rate of return is of secondary importance. The investment policy limits investments to those relatively low-risk securities authorized in anticipation of earning a fair return relative to the risk being assumed.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

During the fiscal year, the District and the State Board of Administration (SBA) closed out all Fund B accounts into the appropriate Florida PRIME accounts. The SBA Fund B does maintain an excess reserve account that will be distributed to all participants once all expenses related to the termination of Fund B have been determined and accrued. The expected amount of the reserve is estimated at \$40 million, which is comprised of approximately \$28 million in cash and an estimated \$12 million legal settlement related to the ongoing Lehman Brothers litigation.

How the investment policy manages credit risk, interest rate risk, custodial credit risk, and concentration of credit risk is as follows:

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

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

The fixed income money market funds in the Federated Government Obligations Fund are held in a state-qualified public depository and the balances are either fully insured or collateralized.

As of September 30, 2014, the District had the following investments reported at market-values with S & P ratings, maturity dates and the percentage of each security classification to the total portfolio:

	<b>S &amp; P Rating</b>	<b>Maturity Date</b>	<b>Fair Value</b>	<b>% of Portfolio</b>
<b>Federal Instrumentalities</b>				
Federal National Mortgage Association	AA+	04/11/2016	\$ 1,101,463	
Federal National Mortgage Association	AA+	04/27/2017	175,879	
Federal National Mortgage Association	AA+	09/27/2017	2,185,750	
Federal Home Loan Bank Global Notes	AA+	12/31/2015	4,253,876	
Federal Home Loan Bank Global Notes	AA+	02/19/2016	100,039	
Federal Home Loan Bank Global Notes	AA+	06/24/2016	1,122,696	
Federal Home Loan Bank Global Notes	AA+	06/24/2016	1,422,082	
Fannie Mae Global Notes	AA+	03/30/2016	4,143,167	
Freddie Mac Global Notes	AA+	04/17/2015	1,793,883	
Freddie Mac Global Notes	AA+	07/28/2017	1,244,861	
Freddie Mac Global Notes	AA+	07/28/2017	2,006,716	

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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

	<b>S &amp; P Rating</b>	<b>Maturity Date</b>	<b>Fair Value</b>	<b>% of Portfolio</b>
Federal Home Loan Bank	AA+	09/28/2016	3,534,617	
Federal Home Loan Bank	AA+	03/27/2017	4,328,668	
Federal Home Loan Mortgage Corporation	AA+	10/14/2016	3,163,249	
			<u>30,576,946</u>	16.18%
<b>U.S. Government Securities</b>				
U.S. Treasury Notes	AA+	01/15/2016	275,397	
U.S. Treasury Notes	AA+	02/15/2016	17,551,913	
U.S. Treasury Notes	AA+	04/30/2016	7,021,517	
U.S. Treasury Notes	AA+	05/31/2016	11,353,453	
U.S. Treasury Notes	AA+	06/15/2016	680,638	
U.S. Treasury Notes	AA+	06/30/2016	1,007,518	
U.S. Treasury Notes	AA+	06/30/2016	1,179,009	
U.S. Treasury Notes	AA+	06/30/2016	4,548,355	
U.S. Treasury Notes	AA+	06/30/2016	4,742,236	
U.S. Treasury Notes	AA+	08/15/2016	442,816	
U.S. Treasury Notes	AA+	08/31/2016	5,665,663	
U.S. Treasury Notes	AA+	08/31/2016	18,373,078	
U.S. Treasury Notes	AA+	11/30/2016	807,956	
U.S. Treasury Notes	AA+	01/31/2017	4,252,959	
U.S. Treasury Notes	AA+	01/31/2017	4,308,063	
U.S. Treasury Notes	AA+	03/31/2017	4,458,543	
U.S. Treasury Notes	AA+	07/31/2017	531,816	
U.S. Treasury Notes	AA+	08/31/2017	5,501,393	
			<u>92,702,323</u>	49.04%
<b>Corporate Notes</b>				
JP Morgan & Chase & Co. Global Notes	A	10/15/2015	903,743	
Bank of New York Mellon	A+	01/15/2016	5,120,505	
IBM Corp. (Floating) Global Notes	AA-	02/05/2016	2,851,126	
Apple Inc. Global Notes	AA+	05/03/2016	1,207,471	
Toyota Motor Credit Corp.	AA-	05/17/2016	1,804,198	
Wells Fargo & Company (Floating)	A+	07/20/2016	3,620,700	
American Honda Finance Global Notes	A+	10/07/2016	1,454,963	
Coca-Cola Co. Global Notes	AA	11/01/2016	948,871	
JP Morgan & Chase & Co.	A	02/15/2017	4,265,685	
Cisco Systems Inc Global Notes	AA-	03/03/2017	2,123,581	
Apple Inc. Corp. Note	AA+	05/05/2017	4,260,448	
General Electric Corp. Notes (Callable)	AA+	05/15/2017	1,998,772	
American Express Corp. Notes	A-	06/05/2017	3,624,337	
John Deere Capital Corp. Notes	A	06/12/2017	2,660,972	
HSBC USA Inc.	A+	06/23/2017	1,423,898	
Caterpillar Financial SE Notes	A	08/18/2017	1,884,479	
			<u>40,153,749</u>	21.24%
<b>Commercial Paper</b>				
Rabobank USA Finance Corp.	A-1+	10/31/2014	4,249,630	
Bank of Tokyo Mitsubishi	A-1	11/07/2014	4,249,256	

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
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**SEPTEMBER 30, 2014**

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

	<b>S &amp; P Rating</b>	<b>Maturity Date</b>	<b>Fair Value</b>	<b>% of Portfolio</b>
Wells Fargo & Company	A-1	02/13/2015	4,272,085	
			<u>12,770,971</u>	6.76%
<b>Municipal Bonds</b>				
Univ. of California Taxable Revenue Bonds	AA	05/15/2015	600,990	
Univ. of California Taxable Revenue Bonds	AA	05/15/2016	351,050	
California State Taxable GO Bonds	A	11/01/2016	2,309,430	
			<u>3,261,470</u>	1.73%
<b>Florida State Board of Administration Pool</b>				
Florida PRIME	AAAm		<u>9,289,439</u>	4.91%
<b>Fixed Income Money Market Fund</b>				
Federated Government Obligations	NR		<u>264,673</u>	0.14%
<b>TOTAL INVESTMENTS</b>			<u>\$ 189,019,571</u>	100.00%

**(b) Interest Rate Risk** — In accordance with the District's investment policy, the District manages its exposure to declines in fair values of its investments by limiting the allowable length to maturity to a maximum of five years from the date of purchase, structuring the investment portfolio so that securities mature to meet ongoing operating cash requirements and investing operating funds primarily in shorter-term securities, Florida State Board of Administration — Florida PRIME, money market funds, and interest bearing time deposit accounts. The District's average, effective duration for the Investment Portfolio as of September 30, 2014, was 1.76 years. The weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2014, was 39 days. This WAM was calculated by the investment manager and includes all holdings, including the \$300 million time deposit holding. The next interest rate reset dates for floating rate securities are used in the calculation of the WAM.

A summary of the maximum allowed duration of each investment type to the District's investment policy follows:

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

As of September 30, 2014, the District had the following investments and maturities:

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
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**(3) Cash and Investments (b) (Continued):**

	<u>Fair Value</u>	<u>Investment Maturity (in years)</u>		
		<u>Less than 1 year</u>	<u>1–3 year</u>	<u>3–5 years</u>
Federal Instrumentalities	\$30,576,946	\$ 4,253,876	\$ 26,323,070	\$ -
U.S. Treasury Securities	92,702,323	-	92,702,323	-
Corporate Notes	40,153,749	-	40,153,749	-
Commercial Paper	12,770,971	12,770,971	-	-
Municipal Bonds	3,261,470	600,990	2,660,480	-
Florida PRIME	9,289,439	9,289,439	-	-
Money Market Fund	264,673	264,673	-	-
<b>TOTAL INVESTMENTS</b>	<b><u>\$189,019,571</u></b>	<b><u>\$27,179,949</u></b>	<b><u>\$161,839,622</u></b>	<b><u>\$ -</u></b>

**(c) Custodial Credit Risk** — Investments are subject to custodial credit risk if the securities are uninsured, not registered in the District’s name, and are held by the party that either sells to or buys for the District. All of the District securities are held in the District’s name; therefore, no investments held at year-end were subject to custodial credit risk. The Florida State Board of Administration - Florida PRIME “2a-7” like fund does participate in securities lending, but the District owns shares of the Florida PRIME and not the underlying securities.

**(d) Concentration of Credit Risk** — The District’s investment strategy is to maintain diversification. In accordance with the District’s investment policy, the District manages its exposure to positions of 5% or more in the securities of a single issuer by diversifying the portfolio and limiting the maximum amount invested in any single issuer.

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

	<u>Sector Guideline Exposures</u>			
	<u>Exposure to specific Guideline</u>	<u>% of Available Funds</u>		
		<u>Year end Exposure %</u>	<u>Maximum During Year</u>	<u>Policy</u>
<u><b>Compliance Guideline</b></u>				
U.S. Government Securities	\$ 92,702,323	49.04%	52.65%	100%
Federal Instrumentalities	30,576,946	16.18%	32.08%	80%
Municipal Bond	3,261,470	1.73%	4.23%	25%
Money Market Funds	264,673	0.14%	1.26%	50%
Commercial Paper	12,770,971	6.76%	11.67%	25%*
Corporate Notes	40,153,749	21.24%	24.11%	25%*
Florida PRIME	<u>9,289,439</u>	<u>4.91%</u>	5.29%	25%
Subtotal Investments	189,019,571	<u>100.00%</u>		
Cash Checking Accounts	<u>17,688,564</u>			
<b>Total Cash and Investments</b>	<b><u>\$206,708,135</u></b>			

\*The maximum aggregate amount of corporate notes and commercial paper will not exceed 40%.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
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**(3) Cash and Investments (Concluded):**

- (e) **Portfolio Return** — A five year summary of the District's total annual investment portfolio return, including a three and five year average of the total annual investment return (reported in percentages and gross of Investment Management Fees) and a percentage comparison to the District investment policy benchmark follows:

**Investment Portfolio Performance**  
Fiscal Year 2010 to Fiscal Year 2014

	<u>FY</u> <u>2010</u>	<u>FY</u> <u>2011</u>	<u>FY</u> <u>2012</u>	<u>FY</u> <u>2013</u>	<u>FY</u> <u>2014</u>	<u>3-Year</u> <u>Average</u>	<u>5-Year</u> <u>Average</u>
<b>Investment Portfolio—Operating Fund</b>	<b>2.36</b>	<b>1.21</b>	<b>0.97</b>	<b>0.43</b>	<b>0.65</b>	<b>0.68</b>	<b>1.12</b>
Policy Benchmark*	2.53	1.20	0.56	0.37	0.50	0.48	1.03

\*(Merrill Lynch 1-3 year US Treasury Note Index)

**(4) Capital Assets:**

- (a) Capital asset activity for the year ended September 30, 2014, was as follows:

	<b>Balance at</b> <b>Oct. 1, 2013</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance at</b> <b>Sept. 30, 2014</b>
Capital assets, not being depreciated:				
Land	\$ 827,387,986	\$ 9,107,384	\$ (10,363,988)	\$ 826,131,382
Easements	165,206,184	19,308,403	(4,734,804)	179,779,783
Construction in progress	2,418,574	1,641,907	(457,848)	3,602,633
Total capital assets, not being depreciated	995,012,744	30,057,694	(15,556,640)	1,009,513,798
Capital assets, being depreciated:				
Buildings	36,832,093	213,707	(721,776)	36,324,024
Infrastructure	167,422,911	4,098,521	-	171,521,432
Machinery and equipment	35,680,708	1,903,196	(1,456,241)	36,127,663
Other depreciable assets	4,939,394	-	-	4,939,394
Total capital assets, being depreciated	244,875,106	6,215,424	(2,178,017)	248,912,513
Less accumulated depreciation for:				
Buildings	(13,535,946)	(936,535)	207,165	(14,265,316)
Infrastructure	(49,187,552)	(5,368,927)	-	(54,556,479)
Machinery and equipment	(28,990,233)	(2,032,970)	1,401,232	(29,621,971)
Other depreciable assets	(4,928,791)	(10,538)	-	(4,939,329)
Total accumulated depreciation	(96,642,522)	(8,348,970)	1,608,397	(103,383,095)
Capital assets being depreciated, net	148,232,584	(2,133,546)	(569,620)	145,529,418
Governmental activities capital assets, net	\$1,143,245,328	\$ 27,924,148	\$ (16,126,260)	\$1,155,043,216

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

Operation and maintenance of lands and works	\$ 7,401,897
District management and administration	947,073
Total depreciation expense	<u>\$ 8,348,970</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
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**SEPTEMBER 30, 2014**

**(5) Commitments:**

**Encumbrances of Fund Balance** — The District has restricted, committed and assigned fund balances for obligations that were executed in fiscal year 2013-2014, but will be expended in the next fiscal year. The \$20 million in encumbrances below (\$11,073,437 of fund balance and \$8,916,820 of future resources) represent purchase orders and contracts that were expected to be expended in fiscal year 2013-2014, but are now expected to be expended in fiscal year 2014-2015. These encumbrances will be added to the adopted fiscal year 2014-2015 budget, therefore, increasing the \$145.5 million adopted fiscal year 2014-2015 budget by \$20 million to a final adopted budget of \$165.5 million. These commitments and assignments of fund balance are in the form of contracts, agreements, grants to local governments, memorandums of understanding, memorandums of agreement and purchase orders. The totals by fund are as follows:

General Fund	\$ 7,644,375
Capital Projects Fund	2,001,083
Water Protection and Sustainability Fund	1,321,643
Long-term Maintenance Mitigation Fund	15,000
Land Management Fund	<u>91,336</u>
<b>Total</b>	<b><u>\$ 11,073,437</u></b>

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

	<b>Funding Source</b>		<b>Total</b>
	<b>State</b>	<b>Federal</b>	
<b>Special Revenue Funds</b>			
Ecosystems Management Trust Fund	\$ 2,087,741	\$ -	\$ 2,087,741
Water Protection and Sustainability Fund	1,321,643	-	1,321,643
State Grants Fund	4,752,894	-	4,752,894
Mitigation Fund	296,076	-	296,076
Special Revenue Funds-Other Fund	131,241	-	131,241
Federal Grants Fund	<u>-</u>	<u>327,225</u>	<u>327,225</u>
<b>Total</b>	<b><u>\$ 8,589,595</u></b>	<b><u>\$ 327,225</u></b>	<b><u>\$ 8,916,820</u></b>

The committed future resources of the Ecosystems Management Trust fund of \$2,087,741, State Grants fund of \$378,350 and Mitigation fund of \$296,076 were from unearned revenues advanced to the District by the Florida Department of Environmental Protection and the Florida Department of Transportation.

**(6) Unearned Revenue:**

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



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(6) Unearned Revenue (Concluded):**

<u>Fund</u>	<u>Funding Source</u>	<u>Amount</u>
Ecosystems Management Trust	State – Ecosystems Management Trust	\$ 3,849,111
State Grants	State – Springs Initiative	3,345,047
	State – Resolution 2000-24	54,888
Mitigation	State – FDOT Mitigation	4,577,354
Special Revenue Funds – Other	Local – Counties	175,790
	Local – Cities	169,790
	Local – Other	136,018
<b>Total</b>		<b><u>\$ 12,307,998</u></b>

**(7) Interfund Balances and Activities:**

Interfund balances at year-end are temporary loans to fund grant activities pending reimbursement. Interfund loans are repaid upon receipt of grant proceeds. The temporary loans listed below are from the General Fund to the various Special Revenue Funds for expenditures requiring reimbursements from the following grantors: \$2,526,332, Florida Department of Environmental Protection; and \$323,168, Federal Sources. A summary of interfund balances at year-end is as follows:

<u>Receivable Funds</u>	<u>Amount</u>	<u>Payable Funds</u>	<u>Purpose</u>
Major Funds: General Fund	\$ 2,526,104	State Grants Fund	Temporary Loan
General Fund	323,168	Federal Grants Fund	Temporary Loan
General Fund	228	Ecosystems Management Trust Fund	Temporary Loan
<b>Total</b>	<b><u>\$ 2,849,500</u></b>		

The District makes routine transfers among its funds during the fiscal year. The principle purpose of the transfers is to allocate resources for capital projects and to provide operating subsidies and reimburse the General Fund for indirect costs. These transfers are consistent with the activities of the funds involved.

The \$165,145 transfer from the Federal Grants Fund to the General Fund is to reimburse for indirect costs of federal grants, of which, \$21,360 was transferred to the Land Management Fund for vegetative management. The \$96,018 transfer from the State Grants Fund to the General Fund is to reimburse for indirect costs associated with State grants. The \$23,688 transfer from Special Revenue Funds – Other Fund to the General Fund was to reimburse for indirect costs of local grants. The \$33,875 transfer from the Mitigation Fund to the General Fund is to reimburse for administration expenses associated with land acquisitions, associated with Florida Department of Transportation mitigation projects. The \$228 transfer from the Ecosystems Management Trust Fund to the General Fund is to reimburse for indirect costs. The \$7,383,250 transfer from the General Fund to the Land Management Fund is to transfer the restricted funds to the newly created special revenue fund – Land Management. The \$22,887 transfer from the Mitigation Fund to the Land Management Fund is to move the funds received for local mitigation to the fund that will expend monies for land management and restoration expenditures. The \$263,155 transfer from the General Fund to the Capital Projects Fund is to fund major capital expenditures from District funding sources. A summary of interfund transfers is as follows:

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(7) Interfund Balances and Activities (Concluded):**

<b><u>Transfers In</u></b>	<b><u>Amount</u></b>	<b><u>Transfers Out</u></b>
Major Funds:		
General Fund	\$ 165,145	Federal Grants Fund
General Fund	96,018	State Grants Fund
General Fund	23,688	Special Revenue Funds - Other Fund
General Fund	33,875	Mitigation Fund
General Fund	228	Ecosystems Management Trust Fund
Total General Fund	318,954	
Non-major Funds:		
Land Management Fund	7,383,250	General Fund
Land Management Fund	22,887	Mitigation Fund
Capital Projects Fund	263,155	General Fund
Total Non-major Funds	7,669,292	
Total All Funds	\$ 7,988,246	

**(8) Other Post-Employment Benefits (OPEB):**

The cost of post-employment healthcare benefits generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The District recognizes the cost of post-employment healthcare benefits in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the District's future cash flows.

**(a) Plan Description:** The District contributes, along with its employees and retirees, to the Blue Cross and Blue Shield of Florida Health Care Plan (Plan) to provide certain healthcare benefits to active and retired employees and their dependents. The Plan is a single-employer plan administered by Blue Cross and Blue Shield of Florida and the District. The benefits, benefit levels, employee contributions and employer contributions are governed by the Plan.

**(b) Benefits Provided:** The District provides post-employment health care benefits to its retired employees and their dependents. To be eligible for benefits, an employee must have completed at least six years of service and started receiving pension benefits at termination. All health care benefits are provided through the District's Blue Cross Blue Shield employee health care plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental and substance abuse care; dental care; and prescriptions. Upon retirees reaching 65 years of age, Medicare becomes the primary insurer and the District's plan will not pay benefits already paid by Medicare.

**(c) Membership:** At September 30, 2014, membership consisted of:

Active employees	502
Inactive employees	<u>38</u>
Total	540

**(d) Funding Policy:** The District contributes one-half the premium for current retired employees between the ages of 62 and 65, but has closed this benefit to new retirees effective October 1, 2012, and the state of Florida's Division of Retirement contributes each month \$5 for each year of service, up to \$150 per month. The District's Blue Cross Blue Shield contract establishes the individual premium to be paid by the retired employees. The state of Florida prohibits the District from separately rating retired

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**(8) Other Post-Employment Benefits (OPEB) (d) (Concluded):**

employees and active employees. As a result, the District's premium charges to retired employees can be no more than the premium cost applicable to active employees. Generally accepted accounting principles, however, require that the actuarial information presented below be calculated using age-adjusted premiums approximating claims costs for retirees separate from the active employees. The use of age-adjusted premiums, results in the addition of an implicit rate subsidy into the actuarial accrued liability. For the fiscal year ending September 30, 2014, retired employees directly contributed \$39,448 to the plan. For retired employees, the District contributed \$59,797 and the state of Florida's Division of Retirement contributed \$221,592 through a pension deduction and the above mentioned Florida Division of Retirement subsidy. For active employees, the District contributed \$5,222,030 and the employees contributed \$1,050,234. The District also contributed \$1,058,580 to the accounts of employees with a High Deductible Savings and Flexible Spending Accounts.

**(e) Annual OPEB Costs, Net OPEB Obligation, and Funding Progress:** The District's actuarial valuation was performed for the plan as of October 1, 2013, and determined the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended September 30, 2014. The District's annual OPEB cost (expense) decrease of (\$44,003) was increased by the assumed contributions of (\$214,090), which netted a decrease of (\$258,093) in the net OPEB obligation. The following table shows the calculation of the Annual Required Contribution and Net OPEB Obligation:

	<b>For the Fiscal Year Ending</b>	
	<b><u>September 30, 2013</u></b>	<b><u>September 30, 2014</u></b>
<b>Determination of Annual Required Contribution:</b>		
Normal cost at year-end	\$ 302,079	\$ 163,435
Amortization of Unfunded Actuarial Liability	<u>351,606</u>	<u>214,464</u>
Annual Required Contribution (ARC)	<u>653,685</u>	<u>377,899</u>
<b>Determination of Net OPEB Obligation:</b>		
ARC	653,685	377,899
Interest on prior year Net OPEB Obligation	140,261	144,326
One time adjustment to ARC	-	(329,580)
<i>Adjustment to ARC</i>	<u>(224,460)</u>	<u>(236,648)</u>
Annual OPEB Cost	569,486	(44,003)
Contributions made	<u>(467,857)</u>	<u>(214,090)</u>
Increase in Net OPEB Obligation	101,629	(258,093)
Net OPEB Obligation – beginning of year	<u>3,506,523</u>	<u>3,608,152</u>
Net OPEB Obligation – end of year	<u>\$ 3,608,152</u>	<u>\$ 3,350,059</u>

The following table shows three years of the annual OPEB cost and net OPEB obligation:

<b><u>Fiscal</u></b>	<b><u>Discount</u></b>	<b><u>Annual</u></b>	<b><u>Percentage of</u></b>	<b><u>Net OPEB</u></b>
<b><u>Year Ended</u></b>	<b><u>Rate</u></b>	<b><u>OPEB Cost</u></b>	<b><u>OPEB Cost</u></b>	<b><u>Obligation</u></b>
		<b><u>Contributed</u></b>		
9/30/2012	4.00%	\$ 553,910	79.6%	\$3,506,523
9/30/2013	4.00%	\$ 569,486	82.2%	\$3,608,152
9/30/2014	4.00%	(\$ 44,003)	N/A	\$3,350,059

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
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**(8) Other Post-Employment Benefits (OPEB) (e) (Concluded):**

The following table shows three years of the funding progress of the OPEB Obligation:

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Liabilities AAL</b>	<b>Unfunded Actuarial Liabilities (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
10/01/2011	\$0	\$5,434,667	\$5,434,667	0.0%	\$49,272,000	11.03%
10/01/2012	\$0	\$5,492,824	\$5,492,824	0.0%	\$37,934,636	14.48%
10/01/2013	\$0	\$3,269,922	\$3,269,922	0.0%	\$36,913,883	8.86%

Actuarial valuations of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear, comparative trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. While the District has not established an irrevocable trust fund or equivalent arrangement to accumulate assets to cover the unfunded actuarial accrued liability, it is paying into the state of Florida's Division of Retirement Services (FRS) an amount on a bi-monthly basis established to cover the future FRS contributions and paying one-half the monthly premiums on retirees between the ages of 62 and 65 until fiscal year 2014-2015. Generally accepted accounting principles consider these payments as pay-as-you-go funding methodology and therefore, they cannot be considered as meeting the District's net OPEB obligation nor as assets that can be used to offset the unfunded actuarial accrued liability.

**(f) Actuarial Methods and Assumptions:** Projections of benefits for financial reporting purposes are based on the substantive plan (as understood by the employer and plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projections do not explicitly incorporate the potential effects of legal or contractual funding limitations. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The District does not have a separate, audited GAAP-basis post-employment benefit plan report, just an independent Valuation Report from the District's contracted actuary. In the October 1, 2013 actuarial valuation, the Traditional Unprojected Unit Credit Actuarial Cost Method, was used. The actuarial assumptions included 4% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 6.1%, decreasing each year until it reaches an ultimate rate of 5.7% in 2019. Life expectancies were based upon data found in the Sex-distinct RP-2000 Generational Tables. Approximately 50% of all eligible members are assumed to elect coverage upon retirement and 30% are assumed to have an eligible spouse who will elect coverage. Retiree and spousal coverage is provided for the lifetime of both the participant and spouse. However, benefits are valued as payable only until age 65, as the option of enrolling in Medicare is a much more attractive option at a lower cost. The actuarial value of the assets was not determined as the District has not advance funded its obligation. The unfunded actuarial accrued liability is being amortized as a level-percentage of projected payroll on a closed basis. The remaining amortization period at September 30, 2014, was 23 years.

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

**(a) Bonds Payable, OPEB, Compensated Absences and Claims and Judgments:**

**Bonds Payable from Governmental Activities:**

	<u>Remaining Interest Rates</u>	<u>Principal</u>
Revenue Refunding Bonds, Series 2004, Original issue \$39,005,000	3.25% to 4%	\$ 12,290,000
Payable in semi-annual installments through 2016		

**Accrued Compensated Absences, OPEB, and Claims and Judgments:**

Vested portion of accrued vacation and sick pay (see note (1)(l) for a summary of the District's leave policies)	\$ 5,533,485
Claims and judgments	2,500,000
Other post-employment benefits	3,350,059
Unamortized bond premium	<u>79,051</u>
Subtotal	<u>\$ 11,462,595</u>
Total Long-Term Obligations	<u>\$ 23,752,595</u>

**(b) Pledged Revenues:** The Land Acquisition Revenue Refunding Bonds issued by the District are to provide for the acquisition of environmentally sensitive lands. Principal and interest on the Land Acquisition Bonds are secured by a lien on documentary stamp excise taxes collected statewide by the state of Florida and allocated to the state's five water management districts through the Water Management Lands Trust Fund. The District accounts for debt service transactions in the Debt Service Fund. A summary of the debt issue and related pledge revenue follows:

	<u>Range of Remaining Term</u>	<u>Approximate future principal and interest</u>	<u>Current year revenue received</u>	<u>Current year principal and interest</u>	<u>Principal and interest as % of revenue</u>
Doc Stamp Taxes:	2015-2016	\$13,032,200	\$6,518,363	\$6,518,363	100.00%

**(c) Debt service requirements to maturity:** Debt service requirements to maturity on the District's long-term obligations as of September 30, 2014, are as follows:

<u>Fiscal Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Long-Term Obligations and Interest</u>
2015	\$ 6,025,000	\$ 491,600	\$ 6,516,600
2016	<u>6,265,000</u>	<u>250,600</u>	<u>6,515,600</u>
Total principal & interest	12,290,000	742,200	13,032,200
Less interest to be paid	<u>-</u>	<u>(742,200)</u>	<u>(742,200)</u>
Total principal	12,290,000	-	12,290,000
Deferred amounts	<u>79,051</u>	<u>-</u>	<u>79,051</u>
Totals	<u>\$ 12,369,051</u>	<u>\$ -</u>	<u>12,369,051</u>

Long-term obligations not included above:

Accrued compensated absences payable	5,533,485
Other post-employment benefits	3,350,059
Claims and judgments	<u>2,500,000</u>
Total long-term obligations	<u>\$ 23,752,595</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(9) Long-Term Obligations (Concluded):**

**(d) Long-Term Obligations:** Changes in long-term liabilities for the fiscal year ended September 30, 2014, are summarized as follows:

<b>Governmental Activities:</b>	<b>Balance October 1, 2013</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance September 30, 2014</b>	<b>Due Within One Year</b>
General long-term obligations:					
Revenue bonds payable	\$18,120,000	\$ -	\$ 5,830,000	\$ 12,290,000	\$6,025,000
Deferred: Issuance premiums	118,577	-	39,526	79,051	-
Total revenue bonds payable	18,238,577	-	5,869,526	12,369,051	6,025,000
Accrued compensated absences	6,351,981	2,827,917	3,646,413	5,533,485	498,784
Other post-employment benefits	3,608,152	-	258,093	3,350,059	-
Claims and judgments	2,500,000	-	-	2,500,000	2,500,000
Total governmental activity long-term obligations	<u>\$30,698,710</u>	<u>\$2,827,917</u>	<u>\$ 9,774,032</u>	<u>\$ 23,752,595</u>	<u>\$9,023,784</u>

Interest expense is \$599,241 in the accompanying Statement of Activities for the year ended September 30, 2014.

The District is committed under an operating lease for building, office, and warehouse space. Future minimum lease payments for this lease is as follows:

<b><u>Year-Ending September 30</u></b>	<b><u>Total</u></b>
2015	\$ 407,485
2016	419,846
2017	432,420
2018	445,421
2019	458,634
2020-2021	959,040
Total Lease Payments	<u>\$ 3,122,846</u>

Net other post-employment benefit obligations, claims and judgments, and compensated absences are generally liquidated by the general fund.

**(10) Contingent Liabilities:**

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

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's management, the resolution of these matters will not have a material adverse effect on the financial condition of the District. A \$2.5 million claims and judgments liability has been accrued at the entity wide level and a \$2.5 million commitment of fund balance has been established at the governmental fund level to pay for any claims or judgments that may arise.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(11) Employee Benefits:**

**Other Post-Employment Benefits** — In 1987, the Florida Legislature established through Chapter 112.363, *Florida Statutes*, the Retiree Health Insurance Subsidy (HIS) to assist retirees of all state-administered retirement systems in paying health insurance costs. For the year ended September 30, 2014, eligible retirees and beneficiaries received as much as \$5 per month for each year of creditable service completed at the time of retirement. The payments to individual retirees or beneficiaries as of September 30, 2014, were at least \$30, but not more than \$150 per month.

To be eligible to receive the HIS, a retiree under any state-administered retirement system must provide proof of health insurance coverage, which can include Medicare. The HIS is funded by required contributions from employers participating in the Florida Retirement System (FRS). The contribution rate as of September 30, 2014, is 1.2% of payroll for all active employees covered by the FRS. This contribution was added to the amount submitted for retirement contributions and was deposited in a separate trust fund from which the HIS payments are authorized. If these contributions fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or canceled.

In addition to the HIS, Chapter 112.0801, *Florida Statutes*, provides that retirees may elect to participate in the District's group health insurance programs, with premiums being paid by the retiree. The District offers an additional benefit to retirees between the ages of 62 and 65 by paying one-half the health insurance plan premium costs. The total cost of this post-employment benefit for fiscal year ending September 30, 2014, was \$59,797 for 10 retirees. This post-retirement benefit was closed to new participants beginning October 1, 2012.

**Employee Retirement Systems and Pension Plans**

*Plan Description* — The employees of the District participate in the Florida Retirement System Pension Plan (Pension Plan), a cost-sharing, multiple-employer public employee retirement system administered by the state of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, *Florida Statutes*, establishes the authority for participant eligibility, contribution requirements, vesting eligibility, and benefit provisions.

The Pension Plan issues a publicly available financial report that includes financial statements, 10-year historical trend information, and other required supplementary information. That report may be obtained by writing to the:

State of Florida Department of Administration  
Division of Retirement  
Cedars Executive Center, Building C  
2639 North Monroe Street  
Tallahassee, Florida 32399-1560

The Pension Plan provides vesting of benefits after six years of creditable service. Regular members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service, however, there is a 5% benefit reduction for each year prior to normal retirement. Regular members who joined the Pension Plan on or after July 1, 2011 are subject to vesting of benefits after eight years of creditable service and eligible for normal retirement after eight years of service and attaining age 65, or 33 years of service regardless of age.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(11) Employee Benefits (Continued):**

The Deferred Retirement Option Program (DROP), implemented on July 1, 1998, is a program that allows the employee to retire without terminating employment for up to five years while retirement benefits accumulate and earn interest compounded monthly at an effective annual rate of 6.5% for FRS Pension Plan members with an effective DROP begin date before July 1, 2011. For FRS Pension Plan members with an effective DROP begin date on or after July 1, 2011, the annual rate is 1.3%. This program is available to eligible members of the Florida Retirement System who are in the FRS Pension Plan. Employee participation in DROP does not change the employee's condition of employment. When the DROP period ends, the employee must terminate employment. At that time, the employee will receive the accumulated DROP benefits and begin receiving monthly retirement benefits. Eligible members may participate in DROP when they reach the normal retirement date. If an employee reaches normal retirement before the age of 57, the employee may elect to defer the DROP election until age 57.

As of June 1, 2003, the FRS offered members the option of participating in the Florida Retirement System Investment Plan (Investment Plan), a defined contribution plan qualified under Section 401(a) of the Internal Revenue Code. The Investment Plan is administered by the state of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility, and benefit provisions. The Investment Plan provides vesting of benefits after one year of creditable service. Employees were eligible to make an election to participate in the Investment Plan instead of the Pension Plan. Existing employees may make the election beginning December 1, 2003. New employees may make the election within five months of their month of hire. Participants in the Investment Plan also have a one-time opportunity to switch back to the Pension Plan at any time by "buying back" into the Pension Plan.

*Funding Policy:* From October 1, 2013 through June 30, 2014, the District was required to contribute 6.95% for regular annual covered employee's salary, 18.31% for senior management annual covered employee's salary and 12.84% for employees participating in the DROP. As of July 1, 2014, the District is required to contribute 7.37% for regular annual covered employee's salary, 21.14% for senior management annual covered employee's salary and 12.28% for employees participating in the DROP. Starting July 1, 2011, the employees of the District, other than DROP participants, began contributing 3% of their gross salaries to FRS. Also, employer rates, other than for DROP participants, include .03% for administrative costs of the Investment Plan. Contribution rates are dependent upon retirement class in which reemployed. The contribution requirements of the District may be changed by the FRS. The District's liability for participation is limited to the payment of the required contribution rates and frequencies established by law on future payrolls of the District. The District contributed 100% of the required contribution to FRS in fiscal years ended September 30, 2014, 2013 and 2012.

The District's contributions to the FRS for the years ended September 30, 2014, 2013, and 2012, were \$2,990,038, \$2,225,606, and \$1,894,778, respectively. The employees contribution to the FRS for fiscal year ended September 2014, 2013 and 2012, were \$995,620, \$994,870 and \$1,043,437, respectively.

**Deferred Compensation** — The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all regular payroll District employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen financial emergency. The District ceased matching contributions to the 401a plan as of September 30, 2011. Participation under the 457 plan is solely at the discretion of the employee.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(11) Employee Benefits (Concluded):**

As of September 30, 2014, 524 employees and former employees had \$7,936,411 actively invested in the 401a plan. The District has no liability for losses under the 457 or 401a plan but does have the duty of due care that would be required of an ordinary prudent investor. The District does not have a fiduciary relationship with the plan. Therefore, the assets and liabilities related to the plan are not recorded in the District's financial statements.

**(12) State Trust Funds:**

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

The Water Management Lands Trust Fund (WMLTF) was established in 1981 pursuant to Chapter 373.59, *Florida Statutes*. Funded primarily from a portion of the documentary stamp taxes collected by the state, the non-lapsing trust fund provides funding to the District for the following: (1) payment of principal and interest on the land acquisition revenue bonds; (2) land acquisitions; (3) ongoing management, maintenance, and capital improvements of lands; (4) payments in lieu of taxes; (5) pre-acquisition costs associated with land purchases; and (6) the Surface Water Improvement and Management (SWIM) Program. Revenues received from the trust fund are accounted for in the District's Water Management Lands Trust special revenue fund and debt service fund. Since fiscal year 2008-2009, the state appropriated only funds needed for the annual debt service payments.

The Florida Forever Trust Fund was established in 2000 pursuant to Chapter 259.1051, *Florida Statutes*. The Florida Forever program is the successor program to the Preservation 2000 program. The trust fund is funded through bond proceeds and may be used for the following (1) the acquisition of environmentally significant lands (at least 50 percent of trust funds must be used for land acquisition); (2) water resource development; (3) regional water supply planning; and (4) the SWIM Program. Revenues received from the trust fund are accounted for in the Florida Forever special revenue fund.

The Ecosystem Management and Restoration Trust Fund was established in 1996 pursuant to Section 403.1651, *Florida Statutes*. The trust fund is funded through various sources, such as documentary stamp tax, transfers from other trust funds, general revenues, interest earnings, and fines. It provides funding to the District for the detailed planning and implementation of programs for the management and restoration of ecosystems, including the SWIM Program. Revenues received from the trust fund are accounted for in the Ecosystems Management Trust special revenue fund.

The Alternative Water Supply Program (AWS) was established in 2005 pursuant to Chapter 373.1961, *Florida Statutes*. The program is funded through a distribution of a portion of revenues received by the Florida Water Protection and Sustainability Trust Fund from documentary stamp taxes collected by the state. The program was established for the development of alternative water supplies. The monies are available to assist counties, municipalities, special districts, publicly owned and privately owned water utilities, multi-jurisdictional water supply entities, or regional water supply authorities. Revenues received from the trust fund are accounted for in the Water Protection and Sustainability special revenue fund.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(13) Risk Management:**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District is self insured on tangible personal property – equipment that had an original cost of less than \$100,000. Settlements have not exceeded insurance coverage for any of the past three fiscal years.

**(14) Mitigation Bank Financial Responsibility Assurances:**

The District is authorized by Section 373.4136, *Florida Statutes*, to permit the establishment of mitigation banks. A permit applicant proposing the establishment of a mitigation bank is required to demonstrate the financial ability to conduct the mitigation activities, any necessary site management, monitoring of the mitigation, and any necessary corrective action indicated by the monitoring. The mitigation banks can provide the demonstrated financial assurance by obtaining a surety bond, performance bond, irrevocable letter of credit, or establishing a trust fund. If a bond or an irrevocable letter of credit is used, a standby trust fund shall be established in which all payments under the bonds or letters of credit shall be directly deposited. If the mitigation banks fail to comply with the terms and conditions of the permit, the District may draw upon the financial assurance provided by the mitigation bank. As of September 30, 2014, the District estimates the value of the financial assurances provided by the various mitigation banks is \$15.8 million.

**(15) Fund Balance Disclosure:**

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

Nonspendable Fund Balance – includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. Inventory assets and prepaid items are typical balances that are reported in this category.

Spendable Fund Balance –

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation. Debt service reserves, state of Florida Specialty Licenses Tag revenues, proceeds from the sale of capital assets originally purchased with state and/or federal grant funds and long-term maintenance mitigation endowment funds set aside to fund land management activities are typical balances that are reported in this category.
- Committed – includes fund balance amounts that are constrained for specific purposes through Governing Board resolutions and can only deplete or change the commitments through a Governing Board resolution or an expenditure authorized by contract. Long-term projects/programs, long-term cooperative agreements, the District's Economic Stabilization Reserve and Monetary Judgments Reserve are typical balances that are reported in this category.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered to be restricted nor committed. Fund Balance may be assigned through the following: Formal Budget Adoption Resolution and encumbrances/contractual obligations/grants

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(15) Fund Balance Disclosure (Continued):**

to local governments/memorandums of understanding/agreement authorized by the District's executive management that are not otherwise restricted or committed.

- Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories.

The District's General Fund Balance Reserve policy provides sufficient liquidity for operations pending initial property tax distributions, address unforeseen and unexpected events, emergencies, and to offset unexpected downturns in revenues from budgeted estimates, and constrain resources for specific future purposes, as recommended by the Government Finance Officers Association and the National Advisory Council on State and Local Budgeting. The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this or perpetual land management/acquisition endowments, which the District would prefer to preserve into the future, therefore, using other available revenues to fund these ongoing expenditures. Additionally, the District first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made, with the exception of the Economic Stabilization Reserve. The District designates an Operating Liquidity Reserve within the District's fund balances with a target of 10% to 20% of prior year general fund expenditures. This Liquidity Reserve is designated to ensure the ability to provide core services for the District until the initial property tax revenue distributions are available. The target represents between 60 and 90 days of operating cash, and shall be reported as Assigned Fund Balance within the District's fund level financial statements. The District designates an Economic Stabilization Reserve from the Unassigned General Fund Balance in an amount not less than five percent of the previous year's actual revenues from all sources of ad valorem tax supported funds that is reported as Committed Fund Balance. The Economic Stabilization Reserve is established annually for the next fiscal year during the budgetary process for that fiscal year. The purpose of the Economic Stabilization Reserve is to provide sufficient funds for unforeseen and unexpected events, meet major emergencies and ensure the District's continued orderly operational and financial stability. Utilization of funds from the Economic Stabilization Reserve is limited to the following circumstances:

- (1) when a state of emergency is declared by the Governor or President of the United States; or
- (2) when the Governing Board determines through a resolution that: (a) an emergency or other circumstances has arisen that creates an unanticipated need for additional revenues that are not available through other funding sources; (b) the underlying condition directly impacts the citizens and/or environment within District boundaries; and (c) remedial action cannot wait until the next fiscal year. In the event of an emergency, the Executive Director or his/her designee may take necessary action as a time sensitive matter in accordance with District Policy 2013-01; or
- (3) when anticipated or realized revenues from ad valorem sources within a specific fiscal period are at least ten percent less than the revenue realized over the prior year.

The Economic Stabilization Reserve is not to be appropriated for recurring operating expenditures or capital expenditures that can be addressed through the normal budgeting process. If funds are appropriated from the Economic Stabilization Reserve, the District is required to re-establish the minimum Economic Stabilization Reserve balance within the three fiscal-year period following the year in which such funds are appropriated. Available funds in excess of the five percent Economic Stabilization Reserve requirement are reported as Assigned Fund Balance and may be utilized for other

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(15) Fund Balance Disclosure (Concluded):**

District purposes, including, without limitation, additional capital or cooperative funding expenditures, sinking funds or other purposes. A schedule of District fund balances at September 30, 2014 follows:

<b>Fund Balances:</b>	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total All Funds</b>
<b><u>Nonspendable:</u></b>					
Inventories and Prepaid Expenses	\$ 1,030,023	\$ -	\$ -	\$ -	\$ 1,030,023
<b><u>Spendable:</u></b>					
<b><u>Restricted for:</u></b>					
Mitigation Endowment	-	12,940,854	-	-	12,940,854
Debt Service Reserve	-	-	6,471,774	-	6,471,774
Indian River Lagoon License Tag Fees	-	46,428	-	-	46,428
Water Protection and Sustainability	-	13,100,847	-	-	13,100,847
<b>Total Restricted</b>	-	26,088,129	6,471,774	-	32,559,903
<b><u>Committed for:</u></b>					
Economic Stabilization Reserve	4,030,000	-	-	-	4,030,000
Potential Adverse Monetary Judgments	2,500,000	-	-	-	2,500,000
Land Management/Acquisition	-	7,200,000	-	-	7,200,000
North Florida Water Initiative	17,900,000	-	-	-	17,900,000
Central Florida Water Initiative	3,050,000	-	-	-	3,050,000
Flood Protection–Levee/Structure Reha	3,110,000	-	-	-	3,110,000
Indian River Lagoon Protection	18,200,000	-	-	-	18,200,000
Lake Apopka & UORB Restoration	3,610,000	-	-	240,000	3,850,000
Land Management Enhancement	2,250,000	-	-	-	2,250,000
Middle/Lower SJRB Water Quality Imp	11,710,000	-	-	600,000	12,310,000
Springs Protection	7,450,000	-	-	-	7,450,000
Upper St Johns River Basin Restoration	7,800,000	-	-	4,200,000	12,000,000
Lower Floridan Monitoring Network	16,000,000	-	-	-	16,000,000
Cooperative Projects Funding Program	27,650,000	-	-	-	27,650,000
<b>Total Committed</b>	125,260,000	7,200,000	-	5,040,000	137,500,000
<b><u>Assigned for:</u></b>					
Operating Liquidity Reserve	15,000,000	-	-	-	15,000,000
Cooperative Funding Projects	57,290	-	-	-	57,290
Equip. & Support for Springs Initiative	205,816	-	-	-	205,816
Land Management	91,336	-	-	-	91,336
Regulatory Services	4,654	-	-	-	4,654
Sawgrass Lakes Water Manage. Area	-	-	-	536	536
Structures & Levees Operations/Maint.	100,000	-	-	-	100,000
Support Services	20,886	-	-	-	20,886
Vehicles & Vessels	67,214	-	-	-	67,214
Water Resource Data Systems	54,465	-	-	-	54,465
Water Well Construction Services	194,109	-	-	-	194,109
Water Quality Restoration – Rose Bay	217,451	-	-	-	217,451
<b>Total Assigned</b>	16,013,221	-	-	536	16,013,757
<b><u>Unassigned:</u></b>	42,514	-	-	-	42,514
<b>Totals All Funds</b>	<b>\$ 142,345,758</b>	<b>\$ 33,288,129</b>	<b>\$ 6,471,774</b>	<b>\$ 5,040,536</b>	<b>\$187,146,197</b>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(16) Classification of Expenditures by state of Florida Categories**

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Salaries and benefits	\$51,830,938	\$51,873,438	\$49,663,688	\$2,209,750
Other personal services	21,344,742	22,413,761	15,981,228	6,432,533
Expenses	14,723,012	14,728,981	12,993,226	1,735,755
Grants and aids	30,022,266	31,445,588	8,680,700	22,764,888
Operating capital outlay	1,576,184	1,999,545	1,819,242	180,303
Fixed capital outlay	14,285,349	16,487,729	9,769,292	6,718,437
Debt service:				
Principal retirement	5,830,000	5,830,000	5,830,000	-
Interest and fiscal charges	<u>688,663</u>	<u>688,663</u>	<u>688,362</u>	<u>301</u>
Total expenditures	<u>\$140,301,154</u>	<u>\$145,467,705</u>	<u>\$105,425,738</u>	<u>\$40,041,967</u>

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

**(17) Implementation of Accounting Standards**

In June 2012, the GASB issued Statement No. 68 and 71, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27 and Pension Transition for Contributions made Subsequent to the Measurement Date – an Amendment of GASB No. 68*, effective for the District’s fiscal year beginning October 1, 2014. The objective of Statement No. 68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

The objective of Statement No. 71 is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 2*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government’s beginning net pension liability.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

**(17) Implementation of Accounting Standards (Concluded)**

As a member of FRS, a cost-sharing multi-employer plan, timing for the implementation of this standard by the District is dependent on the state of Florida's implementation, which is currently expected to be for the fiscal year ending June 30, 2015.





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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Budgeted		
	Original	Final	Actual
REVENUES			
Ad valorem property taxes	\$ 80,597,689	\$ 80,597,689	\$ 80,285,876
Investment earnings	1,100,000	1,100,000	1,033,254
Regulatory permits	977,500	977,500	1,504,706
Fines and penalties	-	-	5,927
Other	-	-	432,743
Total revenues	82,675,189	82,675,189	83,262,506
EXPENDITURES			
Water resources planning and monitoring			
Salaries and benefits	9,250,366	9,426,849	9,520,995
Other personal services	5,103,997	4,795,310	4,000,626
Expenses	1,056,669	1,180,158	991,253
Operating capital outlay	457,235	407,235	388,087
Fixed capital outlay	400,000	400,000	-
Grants and aids	-	117,000	68,120
Total water resources planning and monitoring	16,268,267	16,326,552	14,969,081
Acquisition, restoration and public works			
Salaries and benefits	10,455,174	11,462,267	10,541,610
Other personal services	5,849,479	6,273,467	3,800,223
Expenses	672,950	493,947	280,151
Operating capital outlay	10,342	213,803	150,004
Fixed capital outlay	650,000	437,397	114,899
Grants and aids	12,230,558	11,320,426	3,410,349
Total acquisition, restoration and public works	29,868,503	30,201,307	18,297,236
Operation and maintenance of lands and works			
Salaries and benefits	7,217,965	7,096,573	6,742,567
Other personal services	2,082,107	2,176,285	1,837,514
Expenses	6,318,826	5,807,888	5,278,434
Operating capital outlay	600,327	996,694	929,479
Fixed capital outlay	640,297	1,403,170	1,319,496
Grants and aids	-	43,000	41,661
Total operation and maintenance of lands and works	16,859,522	17,523,610	16,149,151

(Continued)

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
Regulation			
Salaries and benefits	12,945,900	13,174,908	12,501,008
Other personal services	583,621	563,621	473,388
Expenses	568,095	630,813	526,662
Total regulation	14,097,616	14,369,342	13,501,058
Outreach			
Salaries and benefits	968,367	936,207	862,630
Other personal services	60,687	75,257	72,447
Expenses	45,037	28,533	26,964
Operating capital outlay	-	1,820	1,819
Total outreach	1,074,091	1,041,817	963,860
Management and administration			
Salaries and benefits	10,535,987	9,251,954	9,183,488
Other personal services	1,735,151	1,976,926	1,742,588
Expenses	4,335,078	4,510,302	4,520,613
Operating capital outlay	503,622	325,422	299,940
Total management and administration	17,109,838	16,064,604	15,746,629
<b>Total expenditures</b>	<b>95,277,837</b>	<b>95,527,232</b>	<b>79,627,015</b>
<b>Excess of revenues over</b>			
<b>(under) expenditures</b>	<b>(12,602,648)</b>	<b>(12,852,043)</b>	<b>3,635,491</b>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	318,954
Transfers out	(7,671,672)	(3,379,672)	(7,646,406)
Sale of capital assets	-	-	94,343
Total other financing sources (uses)	<b>(7,671,672)</b>	<b>(3,379,672)</b>	<b>(7,233,109)</b>
<b>Net change in fund balance</b>	<b>(20,274,320)</b>	<b>(16,231,715)</b>	<b>(3,597,618)</b>
<b>Fund balance, beginning of year</b>	<b>145,943,376</b>	<b>145,943,376</b>	<b>145,943,376</b>
<b>Fund balance, end of year</b>	<b>\$ 125,669,056</b>	<b>\$ 129,711,661</b>	<b>\$ 142,345,758</b>

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

(Concluded)

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – ECOSYSTEMS MANAGEMENT TRUST FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
State			
Ecosystems Management Trust Fund	\$ 5,242,624	\$ 5,111,666	\$ 1,656,913
<b>Total revenues</b>	<u>5,242,624</u>	<u>5,111,666</u>	<u>1,656,913</u>
<b>EXPENDITURES</b>			
Acquisition, restoration and public works			
Other personal services	280,158	280,159	189,431
Operating capital outlay	4,658	4,659	-
Grants and aids	<u>4,957,808</u>	<u>4,826,848</u>	<u>1,467,254</u>
Total acquisition, restoration and public works	<u>5,242,624</u>	<u>5,111,666</u>	<u>1,656,685</u>
<b>Total expenditures</b>	<u>5,242,624</u>	<u>5,111,666</u>	<u>1,656,685</u>
<b>Excess of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>228</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(228)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(228)</u>
<b>Net change in fund balance</b>	-	-	-
<b>Fund balance, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – MITIGATION FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
State			
Department of Transportation	\$ 1,698,298	\$ 6,762,219	\$ 5,491,635
Local mitigation	-	-	22,887
<b>Total revenues</b>	<b>1,698,298</b>	<b>6,762,219</b>	<b>5,514,522</b>
<b>EXPENDITURES</b>			
Acquisition, restoration and public works			
Salaries and benefits	171,337	238,837	151,155
Other personal services	42,594	19,712	18,380
Expenses	-	322,882	134,950
Fixed capital outlay	815,587	5,441,342	4,825,145
Total acquisition, restoration and public works	<b>1,029,518</b>	<b>6,022,773</b>	<b>5,129,630</b>
Operation and maintenance of lands and works			
Other personal services	324,164	361,664	93,389
Expenses	344,616	364,616	223,161
Fixed capital outlay	-	13,166	11,581
Total operation and maintenance of lands and works	<b>668,780</b>	<b>739,446</b>	<b>328,131</b>
<b>Total expenditures</b>	<b>1,698,298</b>	<b>6,762,219</b>	<b>5,457,761</b>
<b>Excess of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>56,761</b>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	(56,761)
Total other financing sources (uses)	<b>-</b>	<b>-</b>	<b>(56,761)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – STATE GRANTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
State			
Department of Environmental Protection	\$ 3,397,100	\$ 5,026,304	\$ 1,693,561
Specific appropriations	6,794,874	8,429,554	2,816,464
Other agencies	628,000	928,000	671,715
State total	10,819,974	14,383,858	5,181,740
<b>Total revenues</b>	10,819,974	14,383,858	5,181,740
<b>EXPENDITURES</b>			
Water resources planning and monitoring			
Other personal services	-	400,000	300,000
Total water resources planning and monitoring	-	400,000	300,000
Acquisition, restoration and public works			
Other personal services	1,722,600	2,166,252	1,231,365
Fixed Capital Outlay	347,687	1,099,469	850,394
Grants and aids	8,421,687	10,390,137	2,622,338
Total acquisition, restoration and public works	10,491,974	13,655,858	4,704,097
Operation and maintenance of lands and works			
Materials and Supplies	328,000	328,000	81,625
Total operation and maintenance of lands and works	19,589,348	25,473,464	8,258,454
<b>Total expenditures</b>	10,819,974	14,383,858	5,085,722
<b>Excess of revenues over (under) expenditures</b>	-	-	96,018
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	(96,018)
Total other financing sources (uses)	-	-	(96,018)
<b>Net change in fund balance</b>	-	-	-
<b>Fund balance, beginning of year</b>	-	-	-
<b>Fund balance, end of year</b>	\$ -	\$ -	\$ -

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



*Notes to Required  
Supplemental Information*



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**SEPTEMBER 30, 2014**

**I. Stewardship, Compliance, and Accountability**

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

Budgetary control is exercised by fund and major expenditure program category. The major categories are water resources planning and monitoring; acquisition, restoration and public works; operation and maintenance of lands and works; regulation; outreach; and District management and administration [see note 1(e) of the Notes to Financial Statements for more information]. Any excess of appropriations over estimated revenues represents an appropriation of beginning fund balance.

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

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

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

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

In accordance with *Florida Statute 373.536*, the Governing Board is authorized to amend the adopted budget for the receipt of unanticipated revenues, following the review and approval by the Executive Office of the Governor. Governing Board authorization to transfer budgeted amounts within each fund is delegated to the executive director between programs, major expenditure categories, object codes and/or projects within certain limits as specified within the District's Internal Budget Transfer Policy #91-04, The Governing Board must approve any transfers that exceed the policy thresholds.

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

Expenditures exceeded appropriations in the Florida Forever fund by \$156,568. This is the result of a return of funds to the Florida Department of Environmental Protection that were not used within the 12-month redeployment period as required of these funds from the sale of lands. This over expenditure was funded by the available fund balance.

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**SEPTEMBER 30, 2014**

**II. Other Post-Employment Benefits (OPEB)**

The employer contributions reported on the Schedule of Funding Progress (see page 44) represents the current amount paid by the District for the current year cost of the benefits, which were entirely paid to or on behalf of retirees. Accordingly, no assets have been placed in trust to advance fund the employer's obligation.

The Schedule of the Funding Progress and the Schedule of Employer Contributions follows:

**Schedule of Funding Progress**

<b><u>Actuarial Valuation Date</u></b>	<b><u>Actuarial Value of Assets</u></b>	<b><u>Actuarial Liabilities (AAL)</u></b>	<b><u>Unfunded Actuarial Liabilities (UAAL)</u></b>	<b><u>Funded Ratio</u></b>	<b><u>Covered Payroll</u></b>	<b><u>UAAL as a Percentage of Covered Payroll</u></b>
10/01/2011	\$0	\$5,434,667	\$5,434,667	0.0%	\$49,272,000	11.03%
10/01/2012	\$0	\$5,492,824	\$5,492,824	0.0%	\$37,934,636	14.48%
10/01/2013	\$0	\$3,269,922	\$3,269,922	0.0%	\$36,913,883	8.86%

**Schedule of Employer Contributions**

<b><u>Valuation September 30,</u></b>	<b><u>Annual OPEB Cost</u></b>	<b><u>Expected Amount Contributed</u></b>	<b><u>Percentage of Annual OPEB Cost Contributed</u></b>	<b><u>Increase (decrease) in Net OPEB Obligation</u></b>
2012	\$ 553,910	\$440,958	79.61%	\$ 112,952
2013	\$ 569,486	\$467,857	82.15%	\$ 101,629
2014	(\$ 44,003)	\$214,090	N/A	(\$258,093)





## *Other Supplemental Information*

## ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA

### NONMAJOR GOVERNMENTAL FUNDS: SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenue sources that are legally restricted to expenditure for specific purposes.

**Florida Forever Fund** — This fund accounts for restricted state revenues received from the Florida Forever Trust Fund, received from and administered by the Florida Department of Environmental Protection. The expenditures are for the acquisition of environmentally significant lands, water resource development, regional water supply planning, and the Surface Water Improvement and Management (SWIM) Program.

**Land Management Fund** — This fund accounts for restricted revenues received from the many leases of District lands and appropriated for land management and maintenance, capital improvements of land titled to the water management districts, and surface water restoration projects.

**Federal Grants Fund** — This fund accounts for restricted revenues received from the federal government and related expenditures. The U.S. Environmental Protection Agency and the Natural Resources Conservation Service of the U.S. Department of Agriculture are two primary revenue sources for this fund. The expenditures may be transferred to and made from other funds when appropriate.

**Long-Term Maintenance Mitigation Fund** — This fund accounts for donated, long-term mitigation revenues collected and expenditures for the perpetual maintenance of specific, environmentally sensitive conservation lands. The District is able to use only the interest earnings from the fund, for land maintenance purposes. The expenditures may be transferred to and made from other funds when appropriate.

**Water Protection and Sustainability Fund** — This fund accounts for restricted state revenues, received from and administered by the Florida Department of Environmental Protection and the District's 50% match from ad valorem property tax revenues. This fund was created during FY 2005-2006 after the action by the state legislature to fund the Alternative Water Supply Program. The expenditures are to grant matching funds to assist counties, municipalities, special districts, publicly owned and privately owned water utilities, multi-jurisdictional water supply entities, or regional water supply authorities in the development of alternative water supply and reclaimed water supply projects.

**Indian River Lagoon License Tag Fees Fund** — This fund accounts for restricted revenues received through the state of Florida specialized license plate donation program. The funds received from the sale of specialty license plates may only be used in the specific counties of the District where the Indian River Lagoon resides (including Brevard, Indian River, and Volusia counties). The license plate revenues provide funding for public education and outreach projects, for supplementing local government storm-water cost-share programs, and for ongoing license plate promotions.

**Special Revenue Funds — Other Fund** — This fund accounts for restricted revenues received from local sources, such as cities, counties, and water management districts, as well as other private and public institutions and related expenditures. The expenditures may be transferred to and made from other funds when appropriate.



## **ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**

### **DEBT SERVICE FUND**

**Debt Service Fund** — This fund accounts for the accumulation of resources for, and the payment of, principal and interest on the St. Johns River Water Management District Land Acquisition Revenue Refunding Bonds, Series 2004. The fund is supported by interest income and revenue from the Water Management Lands Trust Fund.

### **CAPITAL PROJECTS FUND**

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

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2014**

**Special Revenue Funds**

	<b>Land Management</b>	<b>Florida Forever</b>	<b>Federal Grants</b>	<b>Long-term Maintenance Mitigation</b>	<b>Water Protection &amp; Sustainability</b>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	7,543,997	57,507	-	12,969,168	13,088,181
Accounts and other receivables	-	-	-	-	-
Intergovernmental receivables	-	-	1,011,610	-	25,095
<b>Total assets</b>	<b>7,543,997</b>	<b>57,507</b>	<b>1,011,610</b>	<b>12,969,168</b>	<b>13,113,276</b>
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
Accounts payable	343,997	57,507	688,442	28,314	12,429
Due to other funds	-	-	323,168	-	-
Unearned revenue	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
<b>Total liabilities</b>	<b>343,997</b>	<b>57,507</b>	<b>1,011,610</b>	<b>28,314</b>	<b>12,429</b>
<b>Fund balances</b>					
Restricted:	-	-	-	12,940,854	13,100,847
Committed:	7,200,000	-	-	-	-
Assigned:	-	-	-	-	-
Unassigned:	-	-	-	-	-
<b>Total fund balances</b>	<b>7,200,000</b>	<b>-</b>	<b>-</b>	<b>12,940,854</b>	<b>13,100,847</b>
<b>Total liabilities and fund balances</b>	<b>\$ 7,543,997</b>	<b>\$ 57,507</b>	<b>\$ 1,011,610</b>	<b>\$ 12,969,168</b>	<b>\$ 13,113,276</b>

<b>Indian River Lagoon License Tag Fees</b>	<b>Special Revenue Funds - Other</b>	<b>Special Revenue Funds Total</b>	<b>Debt Service Fund</b>	<b>Capital Projects</b>	<b>Total Non-major Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 2,319	\$ -	\$ 2,319
201,473	488,419	34,348,745	6,447,642	5,965,328	46,761,715
5,354	-	5,354	22,407	-	27,761
-	37,192	1,073,897	-	-	1,073,897
206,827	525,611	35,427,996	6,472,368	5,965,328	47,865,692
71,976	44,013	1,246,678	594	924,792	2,172,064
-	-	323,168	-	-	323,168
-	481,598	481,598	-	-	481,598
88,423	-	88,423	-	-	88,423
160,399	525,611	2,139,867	594	924,792	3,065,253
46,428	-	26,088,129	6,471,774	-	32,559,903
-	-	7,200,000	-	5,040,000	12,240,000
-	-	-	-	536	536
-	-	-	-	-	-
46,428	-	33,288,129	6,471,774	5,040,536	44,800,439
\$ 206,827	\$ 525,611	\$ 35,427,996	\$ 6,472,368	\$ 5,965,328	\$ 47,865,692

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Special Revenue Funds</b>				
	<b>Land Management</b>	<b>Florida Forever</b>	<b>Federal Grants</b>	<b>Long-term Maintenance Mitigation</b>	<b>Water Protection &amp; Sustainability</b>
<b>Revenues</b>					
State	\$ -	\$ -	\$ -	\$ -	\$ 173,801
Federal	-	-	1,630,939	-	-
Investment earnings	-	-	-	79,553	-
Local mitigation	-	-	-	2,590	-
Cities and counties	-	-	-	-	-
Lease and timber sales	1,885,825	-	-	-	-
Other	-	-	-	-	-
Total revenues	1,885,825	-	1,630,939	82,143	173,801
<b>Expenditures</b>					
Current:					
Water resources planning and monitoring	-	-	215,238	-	-
Acquisition, restoration, and public works	13,334	-	1,212,707	-	468,513
Operation and maint. of lands and works	2,076,980	-	37,849	366,696	-
Regulation	-	-	-	-	-
District management and administration	1,648	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	2,091,962	-	1,465,794	366,696	468,513
<b>Excess of revenues over (under) expenditures</b>	(206,137)	-	165,145	(284,553)	(294,712)
<b>Other financing sources (uses):</b>					
Transfers in	7,406,137	-	-	-	-
Transfers out	-	-	(165,145)	-	-
Transfer out - refund to state	-	(156,568)	-	-	-
Total other financing sources (uses)	7,406,137	(156,568)	(165,145)	-	-
<b>Net change in fund balances</b>	7,200,000	(156,568)	-	(284,553)	(294,712)
<b>Fund balances, beginning of year</b>	-	156,568	-	13,225,407	13,395,559
<b>Fund balances, end of year</b>	\$ 7,200,000	\$ -	\$ -	\$ 12,940,854	\$ 13,100,847

<b>Indian River Lagoon License Tag Fees</b>	<b>Special Revenue Funds - Other</b>	<b>Special Revenue Funds Total</b>	<b>Debt Service Fund</b>	<b>Capital Projects</b>	<b>Total Non-major Governmental Funds</b>
\$ 142,920	\$ -	\$ 316,721	\$ 6,518,363	\$ -	\$ 6,835,084
-	-	1,630,939	-	-	1,630,939
1,223	-	80,776	17,240	-	98,016
-	-	2,590	-	-	2,590
-	358	358	-	-	358
-	-	1,885,825	-	-	1,885,825
-	205,770	205,770	-	-	205,770
144,143	206,128	4,122,979	6,535,603	-	10,658,582
-	163,350	378,588	-	-	378,588
187,869	-	1,882,423	-	2,316,919	4,199,342
-	9,075	2,490,600	-	-	2,490,600
-	10,015	10,015	-	-	10,015
-	-	1,648	-	-	1,648
-	-	-	5,830,000	-	5,830,000
-	-	-	688,362	-	688,362
187,869	182,440	4,763,274	6,518,362	2,316,919	13,598,555
(43,726)	23,688	(640,295)	17,241	(2,316,919)	(2,939,973)
-	-	7,406,137	-	263,155	7,669,292
-	(23,688)	(188,833)	-	-	(188,833)
-	-	(156,568)	-	-	(156,568)
-	(23,688)	7,060,736	-	263,155	7,323,891
(43,726)	-	6,420,441	17,241	(2,053,764)	4,383,918
90,154	-	26,867,688	6,454,533	7,094,300	40,416,521
\$ 46,428	\$ -	\$ 33,288,129	\$ 6,471,774	\$ 5,040,536	\$ 44,800,439

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – LAND MANAGEMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
Lease and timber sales	\$ 1,100,000	\$ 1,100,000	\$ 1,885,825
<b>Total revenues</b>	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,885,825</u>
<b>EXPENDITURES</b>			
Acquisition, restoration and public works			
Fixed capital outlay	<u>-</u>	<u>13,407</u>	<u>13,334</u>
Total acquisition, restoration and public works	<u>-</u>	<u>13,407</u>	<u>13,334</u>
Operation and maintenance of lands and works			
Other personal services	1,472,500	1,357,588	1,176,826
Expenses	847,650	852,650	801,477
Operating capital outlay	-	49,912	49,912
Fixed capital outlay	<u>10,000</u>	<u>70,000</u>	<u>48,765</u>
Total operation and maintenance of lands and works	<u>2,330,150</u>	<u>2,330,150</u>	<u>2,076,980</u>
Management and administration			
Expenses	<u>1,650</u>	<u>1,650</u>	<u>1,648</u>
Total management and administration	<u>1,650</u>	<u>1,650</u>	<u>1,648</u>
<b>Total expenditures</b>	<u>2,331,800</u>	<u>2,345,207</u>	<u>2,091,962</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(1,231,800)</u>	<u>(1,245,207)</u>	<u>(206,137)</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	7,406,137
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>7,406,137</u>
<b>Net change in fund balance</b>	<u>(1,231,800)</u>	<u>(1,245,207)</u>	<u>7,200,000</u>
<b>Fund balance, beginning of year</b>	<u>1,231,800</u>	<u>1,245,207</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,200,000</u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – FLORIDA FOREVER FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
State			
Department of Environmental Protection	\$ -	\$ -	\$ -
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>			
Acquisition, restoration and public works			
Fixed capital outlay	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Transfer out - refund to state	-	-	(156,568)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(156,568)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>(156,568)</b>
<b>Fund balance, beginning of year</b>	<b>156,568</b>	<b>156,568</b>	<b>156,568</b>
<b>Fund balance, end of year</b>	<b>\$ 156,568</b>	<b>\$ 156,568</b>	<b>\$ -</b>



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – FEDERAL GRANTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
Federal			
Environmental Protection Agency	\$ 692,586	\$ 924,591	\$ 821,363
Natural Resources Conservation Service	-	62,400	61,010
Federal through State	191,360	552,814	338,608
Federal through local	-	-	268,759
Other	861,033	265,000	141,199
Federal total	1,744,979	1,804,805	1,630,939
<b>Total revenues</b>	1,744,979	1,804,805	1,630,939
<b>EXPENDITURES</b>			
Water resources planning and monitoring			
Salaries and benefits	285,842	285,842	160,236
Other personal services	44,722	44,722	41,957
Expenses	28,791	28,791	13,045
Total water resources planning and monitoring	359,355	359,355	215,238
Acquisition, restoration and public works			
Other personal services	375,999	435,825	387,393
Expenses	10,900	14,000	10,062
Fixed capital outlay	-	-	268,759
Grants and aids	921,325	918,225	546,493
Total acquisition, restoration and public works	1,308,224	1,368,050	1,212,707
Operation and maintenance of lands and works			
Other personal services	77,400	77,400	37,849
<b>Total expenditures</b>	1,744,979	1,804,805	1,465,794
<b>Excess of revenues over (under) expenditures</b>	-	-	165,145
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	(165,145)
Total other financing sources (uses)	-	-	(165,145)
<b>Net change in fund balance</b>	-	-	-
<b>Fund balance, beginning of year</b>	-	-	-
<b>Fund balance, end of year</b>	\$ -	\$ -	\$ -

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – LONG-TERM MAINTENANCE MITIGATION FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
Local mitigation	\$ -	\$ -	\$ 2,590
Investment earnings	-	-	79,553
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>82,143</u>
<b>EXPENDITURES</b>			
Operation and maintenance of lands and works			
Other personal services	345,000	345,000	296,241
Grants and aids	<u>125,000</u>	<u>125,000</u>	<u>70,455</u>
Total operation and maintenance of lands and works	<u>470,000</u>	<u>470,000</u>	<u>366,696</u>
<b>Total expenditures</b>	<u>470,000</u>	<u>470,000</u>	<u>366,696</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(470,000)</u>	<u>(470,000)</u>	<u>(284,553)</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	(470,000)	(470,000)	(284,553)
<b>Fund balance, beginning of year</b>	<u>13,225,407</u>	<u>13,225,407</u>	<u>13,225,407</u>
<b>Fund balance, end of year</b>	<u><u>\$ 12,755,407</u></u>	<u><u>\$ 12,755,407</u></u>	<u><u>\$ 12,940,854</u></u>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – WATER PROTECTION AND SUSTAINABILITY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
State			
Department of Environmental Protection	\$ 1,995,444	\$ 1,995,444	\$ 173,801
<b>Total revenues</b>	<b>1,995,444</b>	<b>1,995,444</b>	<b>173,801</b>
<b>EXPENDITURES</b>			
Acquisition, restoration and public works			
Other personal services	500,000	500,000	120,911
Grants and aids	3,490,887	3,490,887	347,602
Total acquisition, restoration and public works	3,990,887	3,990,887	468,513
<b>Total expenditures</b>	<b>3,990,887</b>	<b>3,990,887</b>	<b>468,513</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(1,995,443)</b>	<b>(1,995,443)</b>	<b>(294,712)</b>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
<b>Net change in fund balance</b>	<b>(1,995,443)</b>	<b>(1,995,443)</b>	<b>(294,712)</b>
<b>Fund balance, beginning of year</b>	<b>13,395,559</b>	<b>13,395,559</b>	<b>13,395,559</b>
<b>Fund balance, end of year</b>	<b>\$ 11,400,116</b>	<b>\$ 11,400,116</b>	<b>\$ 13,100,847</b>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – INDIAN RIVER LAGOON LICENSE TAG FEES FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
State			
Indian River Lagoon license plate	\$ 201,315	\$ 201,315	\$ 142,920
Investment earnings	-	-	1,223
<b>Total revenues</b>	<b>201,315</b>	<b>201,315</b>	<b>144,143</b>
<b>EXPENDITURES</b>			
Acquisition, restoration and public works			
Other personal services	189,065	-	-
Expenses	12,250	12,250	10,987
Grants and aids	-	189,065	176,882
<b>Total expenditures</b>	<b>201,315</b>	<b>201,315</b>	<b>187,869</b>
<b>Excess of revenues over</b>			
<b>(under) expenditures</b>	<b>-</b>	<b>-</b>	<b>(43,726)</b>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>(43,726)</b>
<b>Fund balance, beginning of year</b>	<b>90,154</b>	<b>90,154</b>	<b>90,154</b>
<b>Fund balance, end of year</b>	<b>\$ 90,154</b>	<b>\$ 90,154</b>	<b>\$ 46,428</b>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – SPECIAL REVENUE FUNDS – OTHER FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	
<b>REVENUES</b>			
Cities and counties			
Counties	\$ 404,013	\$ 507,041	\$ 358
Other			
Water management districts	203,934	203,934	186,322
State through local	-	373,317	-
Other local sources	6,719	169,449	19,448
Other total	210,653	746,700	205,770
<b>Total revenues</b>	<b>614,666</b>	<b>1,253,741</b>	<b>206,128</b>
<b>EXPENDITURES</b>			
Water resources planning and monitoring			
Other personal services	172,151	172,151	141,612
Expenses	27,500	27,500	21,738
Total water resources planning and monitoring	199,651	199,651	163,350
Acquisition, restoration and public works			
Fixed capital outlay	400,000	880,000	-
Grants and aids	-	150,000	-
Total acquisition, restoration and public works	400,000	1,030,000	-
Operation and maintenance of lands and works			
Other personal services	-	9,075	9,075
Regulation			
Other personal services	10,015	10,015	10,015
District management and administration			
Other personal services	5,000	5,000	-
<b>Total expenditures</b>	<b>614,666</b>	<b>1,253,741</b>	<b>182,440</b>
<b>Excess of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>23,688</b>
<b>Other financing sources (uses)</b>			
Transfers out	-	-	(23,688)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(23,688)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – DEBT SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
State			
Water Management Lands Trust Fund	\$ 6,518,663	\$ 6,518,663	\$ 6,518,363
Investment earnings	-	-	17,240
<b>Total revenues</b>	<b>6,518,663</b>	<b>6,518,663</b>	<b>6,535,603</b>
<b>EXPENDITURES</b>			
Debt service			
Principal	5,830,000	5,830,000	5,830,000
Interest and fiscal charges	688,663	688,663	688,362
Total debt service	6,518,663	6,518,663	6,518,362
<b>Total expenditures</b>	<b>6,518,663</b>	<b>6,518,663</b>	<b>6,518,362</b>
<b>Excess of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>17,241</b>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>17,241</b>
<b>Fund balance, beginning of year</b>	<b>6,454,533</b>	<b>6,454,533</b>	<b>6,454,533</b>
<b>Fund balance, end of year</b>	<b>\$ 6,454,533</b>	<b>\$ 6,454,533</b>	<b>\$ 6,471,774</b>

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Budgeted</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>			
<b>Total revenues</b>	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Acquisition, restoration and public works			
Other personal services	368,333	368,333	-
Fixed capital outlay	11,021,778	6,729,778	2,316,919
Total acquisition, restoration and public works	11,390,111	7,098,111	2,316,919
<b>Total expenditures</b>	11,390,111	7,098,111	2,316,919
<b>Excess of revenues over (under) expenditures</b>	(11,390,111)	(7,098,111)	(2,316,919)
<b>Other financing sources (uses)</b>			
Transfers in	7,671,672	3,379,672	263,155
Transfers out	-	-	-
Total other financing sources (uses)	7,671,672	3,379,672	263,155
<b>Net change in fund balance</b>	(3,718,439)	(3,718,439)	(2,053,764)
<b>Fund balance, beginning of year</b>	7,094,300	7,094,300	7,094,300
<b>Fund balance, end of year</b>	\$ 3,375,861	\$ 3,375,861	\$ 5,040,536



# **Comprehensive Annual Financial Report**

## **Statistical Section (Unaudited)**

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





## ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA

### STATISTICAL SECTION

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

#### Contents

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

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

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

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

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

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

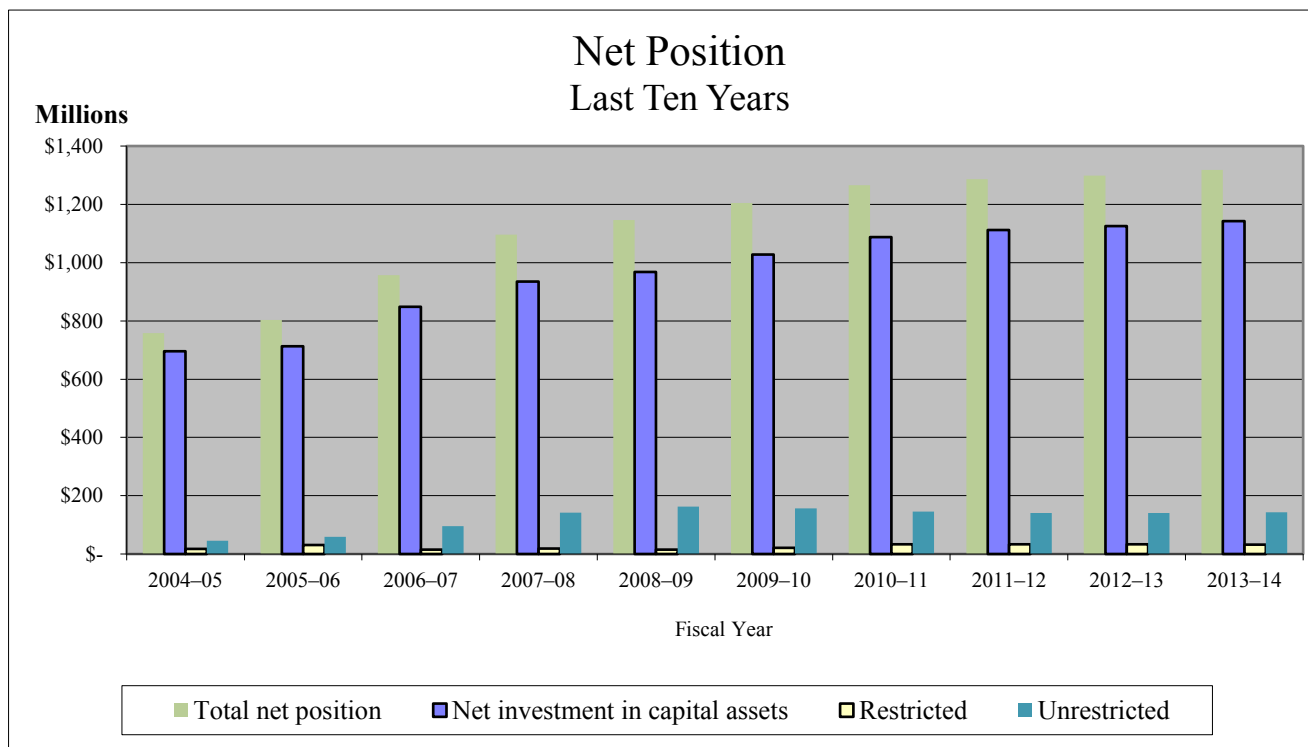




## *Financial Trends*

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

	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
<b>Governmental activities</b>					
Net investment in capital assets	\$ 695,485,819	\$ 712,487,535	\$ 847,938,851	\$ 935,496,518	\$ 968,109,402
Restricted	16,876,740	30,706,894	14,432,348	18,621,314	15,588,704
Unrestricted	45,951,583	59,573,371	95,094,987	141,530,441	162,317,143
<b>Total net position, governmental activities</b>	<b>\$ 758,314,142</b>	<b>\$ 802,767,800</b>	<b>\$ 957,466,186</b>	<b>\$ 1,095,648,273</b>	<b>\$ 1,146,015,249</b>



<u>2009–10</u>	<u>2010–11</u>	<u>2011–12</u>	<u>2012–13</u>	<u>2013–14</u>
\$ 1,027,438,251	\$ 1,086,938,685	\$ 1,112,241,722	\$ 1,125,006,751	\$ 1,142,674,165
21,531,338	33,005,869	32,804,322	33,148,716	32,435,993
<u>156,160,128</u>	<u>145,222,829</u>	<u>140,860,620</u>	<u>140,577,543</u>	<u>143,202,750</u>
<u><u>\$ 1,205,129,717</u></u>	<u><u>\$ 1,265,167,383</u></u>	<u><u>\$ 1,285,906,664</u></u>	<u><u>\$ 1,298,733,010</u></u>	<u><u>\$ 1,318,312,908</u></u>

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

	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
<b>Expenses:</b>				
Water resources planning and monitoring	\$ 14,859,673	\$ 16,867,083	\$ 17,168,733	\$ 16,684,663
Acquisition, restoration and public works	39,741,922	55,406,698	71,247,250	81,613,153
Operation and maintenance of land and works	18,969,285	19,895,374	21,677,617	24,104,108
Regulation	13,305,074	14,900,042	16,969,140	17,516,548
Outreach	4,610,782	4,145,257	5,347,966	5,066,235
District management and administration	26,626,913	29,335,082	40,943,492	22,004,507
Interest on long-term debt	1,403,866	2,455,190	2,090,959	1,903,361
<b>Total expenses</b>	<b>119,517,515</b>	<b>143,004,726</b>	<b>175,445,157</b>	<b>168,892,575</b>
<b>Program revenues:</b>				
Charges for services:				
Regulatory permitting	3,491,770	4,627,038	3,914,456	3,106,679
Operations and land management	1,452,750	2,975,175	1,391,832	1,796,712
Operating grants and contributions	16,337,336	34,326,985	42,960,577	43,129,040
Capital grants and contributions	40,240,212	23,078,231	105,772,582	99,792,164
<b>Total program revenues</b>	<b>61,522,068</b>	<b>65,007,429</b>	<b>154,039,447</b>	<b>147,824,595</b>
<b>Net (expense)/ revenue</b>	<b>(57,995,447)</b>	<b>(77,997,297)</b>	<b>(21,405,710)</b>	<b>(21,067,980)</b>
<b>General revenues and other changes in net position</b>				
Taxes	99,042,154	115,864,922	143,018,871	145,122,797
Unrestricted earnings on investments	2,291,984	5,116,150	8,558,259	6,208,108
Gain(loss) on sale of capital assets	950,826	1,190,419	24,424,763	7,742,637
Miscellaneous	1,163,577	279,464	102,203	176,525
<b>Total general revenues and other changes in net position</b>	<b>103,448,541</b>	<b>122,450,955</b>	<b>176,104,096</b>	<b>159,250,067</b>
<b>Change in net position</b>	<b>\$ 45,453,094</b>	<b>\$ 44,453,658</b>	<b>\$ 154,698,386</b>	<b>\$ 138,182,087</b>

<b>2008–09</b>	<b>2009–10</b>	<b>2010–11</b>	<b>2011–12</b>	<b>2012–13</b>	<b>2013–14</b>
\$ 19,442,113	\$ 17,531,746	\$ 15,524,373	\$ 11,695,698	\$ 13,955,220	\$ 15,048,512
80,833,949	63,183,862	33,110,658	27,605,019	22,903,593	27,583,602
23,325,492	24,064,175	23,241,335	20,414,644	24,134,473	23,901,054
18,347,155	17,548,909	17,629,095	13,391,590	14,145,560	13,230,805
4,972,162	3,594,555	2,988,580	942,373	904,300	940,621
30,986,501	31,514,536	31,156,428	24,425,597	17,289,120	16,217,840
1,747,117	1,577,063	1,408,335	1,001,946	955,965	599,241
179,654,489	159,014,846	125,058,804	99,476,867	94,288,231	97,521,675
1,742,275	1,461,708	1,700,317	1,155,765	1,152,520	1,510,633
1,719,299	1,162,611	1,593,119	1,060,208	1,234,117	1,885,825
55,036,822	38,166,419	19,002,122	18,106,785	14,206,955	15,072,037
25,116,714	47,631,576	49,169,451	15,901,918	10,062,697	16,783,189
83,615,110	88,422,314	71,465,009	36,224,676	26,656,289	35,251,684
(96,039,379)	(70,592,532)	(53,593,795)	(63,252,191)	(67,631,942)	(62,269,991)
138,108,192	124,930,368	111,317,677	82,083,164	79,630,212	80,285,876
7,708,352	4,214,405	2,041,261	1,705,494	720,372	1,131,270
256,274	74,105	90,476	-	-	-
333,537	488,122	182,047	202,814	107,704	432,743
146,406,355	129,707,000	113,631,461	83,991,472	80,458,288	81,849,889
<b>\$ 50,366,976</b>	<b>\$ 59,114,468</b>	<b>\$ 60,037,666</b>	<b>\$ 20,739,281</b>	<b>\$ 12,826,346</b>	<b>\$ 19,579,898</b>



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

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
<b>General fund</b>				
Nonspendable	\$ 474,335	\$ 594,045	\$ 631,760	\$ 518,193
Restricted	-	-	-	-
Committed	18,323,875	28,213,176	65,515,700	95,958,588
Assigned	296,607	347,886	535,620	306,647
Unassigned	1,140,435	571,099	5,831,564	13,149,204
Total general fund	<u>20,235,252</u>	<u>29,726,206</u>	<u>72,514,644</u>	<u>109,932,632</u>
<b>All other governmental funds</b>				
Restricted:				
Special revenue funds	36,433,974	48,585,636	49,763,604	52,055,973
Debt service fund	6,427,530	6,538,829	6,598,759	6,306,030
Committed:				
Special revenue funds	-	-	-	-
Capital projects fund	7,609,699	14,141,466	-	-
Assigned:				
Capital projects fund	<u>374,464</u>	<u>1,666,613</u>	<u>2,502,183</u>	<u>2,814,069</u>
<b>Total all other governmental funds</b>	<u>50,845,667</u>	<u>70,932,544</u>	<u>58,864,546</u>	<u>61,176,072</u>
<b>Total fund balances</b>	<u><u>\$ 71,080,919</u></u>	<u><u>\$ 100,658,750</u></u>	<u><u>\$ 131,379,190</u></u>	<u><u>\$ 171,108,704</u></u>

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
\$ 510,034	\$ 632,775	\$ 532,773	\$ 591,701	\$ 914,668	\$ 1,030,023
-	-	-	-	-	-
111,196,633	123,630,887	128,147,398	124,302,980	126,500,000	125,260,000
1,030,388	796,787	2,124,416	525,224	16,423,721	16,013,221
29,245,723	15,589,493	12,623,284	16,464,398	2,104,987	42,514
<u>141,982,778</u>	<u>140,649,942</u>	<u>143,427,871</u>	<u>141,884,303</u>	<u>145,943,376</u>	<u>142,345,758</u>
41,071,427	42,205,381	26,328,999	25,993,223	26,867,688	26,088,129
6,307,140	6,359,777	6,406,625	6,439,146	6,454,533	6,471,774
-	-	-	-	-	7,200,000
-	-	13,088,051	11,508,890	6,000,000	5,040,000
<u>1,100,000</u>	<u>1,329,574</u>	<u>-</u>	<u>160,872</u>	<u>1,094,300</u>	<u>536</u>
<u>48,478,567</u>	<u>49,894,732</u>	<u>45,823,675</u>	<u>44,102,131</u>	<u>40,416,521</u>	<u>44,800,439</u>
<u><u>\$ 190,461,345</u></u>	<u><u>\$ 190,544,674</u></u>	<u><u>\$ 189,251,546</u></u>	<u><u>\$ 185,986,434</u></u>	<u><u>\$ 186,359,897</u></u>	<u><u>\$ 187,146,197</u></u>

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

	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
Revenues:				
Taxes	\$ 99,042,154	\$ 115,864,922	\$ 143,018,871	\$ 145,122,797
State	52,883,314	49,051,089	137,975,154	132,949,884
Federal	929,488	1,459,893	3,661,398	4,706,562
Investment earnings	2,291,984	5,116,150	8,558,259	6,208,108
Local mitigation	295,989	54,718	2,185,364	1,064,233
Licenses and permits	3,491,770	3,593,279	3,357,891	2,322,017
Cities and counties	974,475	685,815	842,572	821,525
Other local	1,044,282	980,507	1,303,390	3,296,423
Land management	1,452,750	2,975,175	1,391,832	1,796,712
Miscellaneous revenue	410,149	1,313,223	658,768	961,187
Total revenues	<u>162,816,355</u>	<u>181,094,771</u>	<u>302,953,499</u>	<u>299,249,448</u>
Expenditures:				
Water resources planning and monitoring	15,260,660	16,966,367	17,338,510	17,004,052
Acquisition, restoration and public works	82,093,251	65,735,659	186,009,297	179,840,632
Operation and maintenance of land and works	15,065,380	15,891,333	15,613,635	17,602,973
Regulation	13,153,780	14,779,607	16,608,017	17,352,936
Outreach	4,589,650	4,130,964	5,299,861	5,055,126
District management and administration	28,049,668	31,073,113	33,953,085	35,263,176
Debt service:				
Principal retirement	4,505,000	4,355,000	4,525,000	4,725,000
Interest and fiscal charges	1,681,517	2,064,450	1,893,750	1,694,125
Other - cost of issuance	675,663	-	-	-
Total expenditures	<u>165,074,569</u>	<u>154,996,493</u>	<u>281,241,155</u>	<u>278,538,020</u>
Excess of revenues over(under) expenditures	(2,258,214)	26,098,278	21,712,344	20,711,428
Other financing sources (uses):				
Transfers in	55,306,725	77,017,913	39,170,977	12,802,535
Transfers out	(55,306,725)	(77,017,913)	(39,170,977)	(12,802,535)
Long term debt issued	58,740,000	-	-	-
Premium on revenue bonds issued	800,945	-	-	-
Payment to escrow agent-refunded bonds	(59,637,345)	-	-	-
Sale of capital assets	507,521	2,231,569	8,749,956	18,943,514
Insurance/ FEMA - loss recovery	753,428	1,247,984	258,140	74,572
Total other financing sources (uses)	<u>1,164,549</u>	<u>3,479,553</u>	<u>9,008,096</u>	<u>19,018,086</u>
<b>Net change in fund balances</b>	<b><u>\$ (1,093,665)</u></b>	<b><u>\$ 29,577,831</u></b>	<b><u>\$ 30,720,440</u></b>	<b><u>\$ 39,729,514</u></b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>5.21%</b>	<b>4.70%</b>	<b>4.12%</b>	<b>3.65%</b>

2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
\$ 138,108,192	\$ 124,930,368	\$ 111,317,677	\$ 82,083,164	\$ 79,630,212	\$ 80,285,876
67,187,487	61,237,748	29,739,031	18,358,377	19,809,645	19,165,372
3,496,518	3,070,006	9,507,599	1,813,621	1,071,230	1,630,939
7,708,353	4,214,405	2,041,261	1,705,494	720,372	1,131,270
92,034	89,453	-	58	8,750	25,477
1,539,179	1,254,133	1,571,181	1,150,280	1,141,451	1,504,706
756,858	834,729	56,330	-	92,925	358
1,467,655	375,602	73,608	94,707	223,517	205,770
1,742,275	1,162,611	1,593,119	1,060,208	1,234,117	1,885,825
513,658	695,697	311,183	208,299	118,773	438,670
222,612,209	197,864,752	156,210,989	106,474,208	104,050,992	106,274,263
19,573,417	17,831,132	15,875,904	11,870,469	14,643,303	15,647,669
103,383,143	105,468,801	68,012,187	42,959,409	34,297,823	33,986,990
16,575,241	16,492,021	15,319,751	12,955,727	17,276,250	19,049,507
17,949,435	17,452,002	18,025,323	13,311,975	14,056,424	13,511,073
4,917,846	3,647,805	3,100,368	935,412	896,417	963,860
34,910,348	34,071,764	30,821,505	21,460,015	16,418,073	15,748,277
4,880,000	5,045,000	5,315,000	5,475,000	5,645,000	5,830,000
1,542,213	1,372,843	1,201,000	1,041,850	872,125	688,362
-	-	-	-	-	-
203,731,643	201,381,368	157,671,038	110,009,857	104,105,415	105,425,738
18,880,566	(3,516,616)	(1,460,049)	(3,535,649)	(54,423)	848,525
3,455,254	5,876,998	27,848,862	12,825,762	307,150	7,988,246
(3,455,254)	(5,876,998)	(27,848,862)	(12,825,762)	(307,150)	(7,988,246)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
383,885	3,463,807	164,722	207,307	416,062	(62,225)
88,189	136,138	2,199	63,230	11,824	-
472,074	3,599,945	166,921	270,537	427,886	(62,225)
<b>\$ 19,352,640</b>	<b>\$ 83,329</b>	<b>\$ (1,293,128)</b>	<b>\$ (3,265,112)</b>	<b>\$ 373,463</b>	<b>\$ 786,300</b>
<b>3.68%</b>	<b>4.17%</b>	<b>5.39%</b>	<b>7.04%</b>	<b>7.21%</b>	<b>6.95%</b>





## *Revenue Capacity*

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

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Assessed Property Value (Millions) <sup>1</sup>	\$ 220,529	\$ 259,406	\$ 321,225	\$ 361,315	\$ 345,827
Estimated Just Value (Millions) <sup>2</sup>	326,099	388,827	489,352	543,164	546,049
Assessed Value as a Percentage of Just Value	67.6%	66.7%	65.6%	66.5%	63.3%
Millage Levy	0.4620	0.4620	0.4620	0.4158	0.4158

<sup>1</sup> Florida Department of Revenue, Annual DR-420 Forms - Certification of Taxable Value

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

<u>2009–10</u>	<u>2010–11</u>	<u>2011–12</u>	<u>2012–13</u>	<u>2013–14</u>
\$ 309,478	\$ 277,754	\$ 257,587	\$ 247,474	\$ 266,509
475,693	425,392	380,765	376,856	410,081
65.1%	65.3%	67.6%	65.7%	65.0%
0.4158	0.4158	0.3313	0.3313	0.3283



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**TAXABLE PROPERTY VALUES AND ESTIMATED**  
**JUST VALUES OF TAXABLE PROPERTY BY COUNTY**  
**FISCAL YEAR 2013–2014**

<b><u>County</u></b>	<b><u>Estimated Just Value<sup>1</sup></u></b>	<b><u>Taxable Value<sup>2</sup></u></b>	<b><u>Taxable as Percentage of Just Value</u></b>
Alachua*	\$16,482,060,316	\$8,210,780,768	49.8%
Baker*	1,594,187,766	758,377,434	47.6%
Bradford*	106,929,634	56,331,193	52.7%
Brevard	49,651,154,948	28,267,063,145	56.9%
Clay	13,341,128,811	8,508,698,706	63.8%
Duval	82,381,551,149	49,805,658,257	60.5%
Flagler	9,846,752,649	6,679,598,233	67.8%
Indian River	18,578,625,154	13,480,829,751	72.6%
Lake*	22,413,382,661	15,559,722,245	69.4%
Marion*	15,906,598,923	9,522,958,332	59.9%
Nassau	9,742,733,050	6,510,342,090	66.8%
Okeechobee*	121,826,489	69,703,702	57.2%
Orange*	62,651,708,880	44,953,326,655	71.8%
Osceola*	179,018,343	111,762,739	62.4%
Putnam*	6,464,463,059	3,372,800,048	52.2%
St. Johns	25,728,133,286	18,684,563,633	72.6%
Seminole	35,313,680,958	25,895,909,969	73.3%
Volusia	39,576,917,262	26,061,052,144	65.8%
<b>Total</b>	<b><u>\$410,080,853,338</u></b>	<b><u>\$ 266,509,479,044</u></b>	<b><u>65.0%</u></b>
Florida Total	<u>\$2,048,944,322,725</u>	<u>\$ 1,391,439,877,186</u>	<u>67.9%</u>

Source: Florida Department of Revenue. 2014 DR-420 Reports and 2014 Florida Property and Tax Data book; Internet site <http://dor.myflorida.com/dor/property/resources/data.html>

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

<sup>1</sup> It is estimated by multiplying the calculated percentage of just value for the whole county by assessed value for individual counties that are either wholly or partly within St. Johns River Water Management District.

<sup>2</sup> County taxable value

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**PERCENTAGE OF PROPERTY TAX COLLECTIONS BY COUNTY**  
**FISCAL YEAR 2013–2014**

<u>County</u>	<u>Property Tax Collections</u>	<u>Percentage of Collections</u>
Alachua	\$ 2,526,907	3.15%
Baker	230,868	0.29%
Bradford	17,762	0.02%
Brevard	8,261,567	10.29%
Clay	2,587,480	3.22%
Duval	15,093,496	18.80%
Flagler	2,015,491	2.51%
Indian River	4,114,964	5.12%
Lake	4,746,674	5.91%
Marion	2,919,095	3.64%
Nassau	1,972,362	2.46%
Okeechobee	22,543	0.03%
Orange	13,429,265	16.73%
Osceola	34,379	0.04%
Putnam	1,083,026	1.35%
St. Johns	5,582,815	6.95%
Seminole	7,787,506	9.70%
Volusia	7,859,676	9.79%
<b>Total</b>	<b>\$ 80,285,876</b>	<b>100.00%</b>

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

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
<b>Millage Levy</b>	<b>0.4620</b>	<b>0.4620</b>	<b>0.4620</b>	<b>0.4158</b>
Alachua	\$ 2,826,858	\$ 3,170,486	\$ 3,698,891	\$ 3,764,454
Baker	224,108	258,440	312,027	332,478
Bradford	18,712	21,211	25,504	27,246
Brevard	11,309,894	13,851,248	17,522,812	16,462,415
Clay	2,879,023	3,339,041	4,105,037	4,322,683
Duval	17,976,450	20,465,028	23,311,064	24,580,575
Flagler	2,601,920	3,548,985	4,890,528	4,960,294
Indian River	5,445,494	6,372,774	7,977,562	7,328,800
Lake	5,375,081	6,359,023	8,470,737	8,923,002
Marion	3,482,322	3,886,312	4,990,267	5,618,860
Nassau	2,185,732	2,673,425	3,195,766	3,303,262
Okeechobee	31,334	43,383	51,552	54,072
Orange	16,244,689	18,480,069	22,598,990	23,827,053
Osceola	43,836	47,426	54,037	51,061
Putnam	1,321,573	1,414,610	1,829,688	1,677,396
St. Johns	6,388,655	7,786,803	9,886,993	9,800,861
Seminole	9,526,601	10,744,094	13,305,181	13,534,562
Volusia	11,159,872	13,402,564	16,792,235	16,553,723
<b>Total</b>	<b><u>\$ 99,042,154</u></b>	<b><u>\$ 115,864,922</u></b>	<b><u>\$ 143,018,871</u></b>	<b><u>\$ 145,122,797</u></b>
<b>Percentage increase of property tax revenues</b>	11.9%	17.0%	23.4%	1.5%

<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>
<b>0.4158</b>	<b>0.4158</b>	<b>0.4158</b>	<b>0.3313</b>	<b>0.3313</b>	<b>0.3283</b>
\$ 3,691,898	\$ 3,656,160	\$ 3,497,940	\$ 2,675,170	\$ 2,577,902	\$ 2,526,907
335,454	343,421	340,025	261,829	251,296	230,868
24,980	24,836	24,792	19,178	18,293	17,762
15,278,575	13,575,140	11,810,565	8,066,680	7,968,861	8,261,567
4,003,031	3,804,185	3,483,868	2,617,584	2,563,141	2,587,480
24,424,441	23,274,026	21,647,534	16,002,679	15,353,964	15,093,496
4,522,956	3,827,635	3,130,542	2,151,730	2,030,623	2,015,491
7,191,682	6,384,914	5,718,818	4,247,784	4,082,189	4,114,964
8,406,518	7,765,521	6,909,378	5,048,775	4,750,592	4,746,674
5,194,509	4,750,603	4,269,650	3,142,319	2,942,777	2,919,095
3,257,302	3,129,703	2,842,640	2,097,930	1,989,635	1,972,362
48,457	40,030	34,702	24,052	23,934	22,543
23,216,222	20,626,141	17,625,396	13,377,083	13,164,264	13,429,265
48,835	47,018	43,555	33,031	34,601	34,379
1,613,157	1,596,445	1,512,976	1,122,965	1,071,860	1,083,026
9,488,809	8,329,791	7,397,412	5,659,490	5,479,842	5,582,815
12,828,954	11,384,313	10,314,040	7,745,493	7,631,408	7,787,506
14,532,412	12,370,486	10,713,844	7,789,392	7,695,030	7,859,676
<b>\$ 138,108,192</b>	<b>\$ 124,930,368</b>	<b>\$ 111,317,677</b>	<b>\$ 82,083,164</b>	<b>\$ 79,630,212</b>	<b>\$ 80,285,876</b>
-4.8%	-9.5%	-10.9%	-26.3%	-3.0%	0.8%

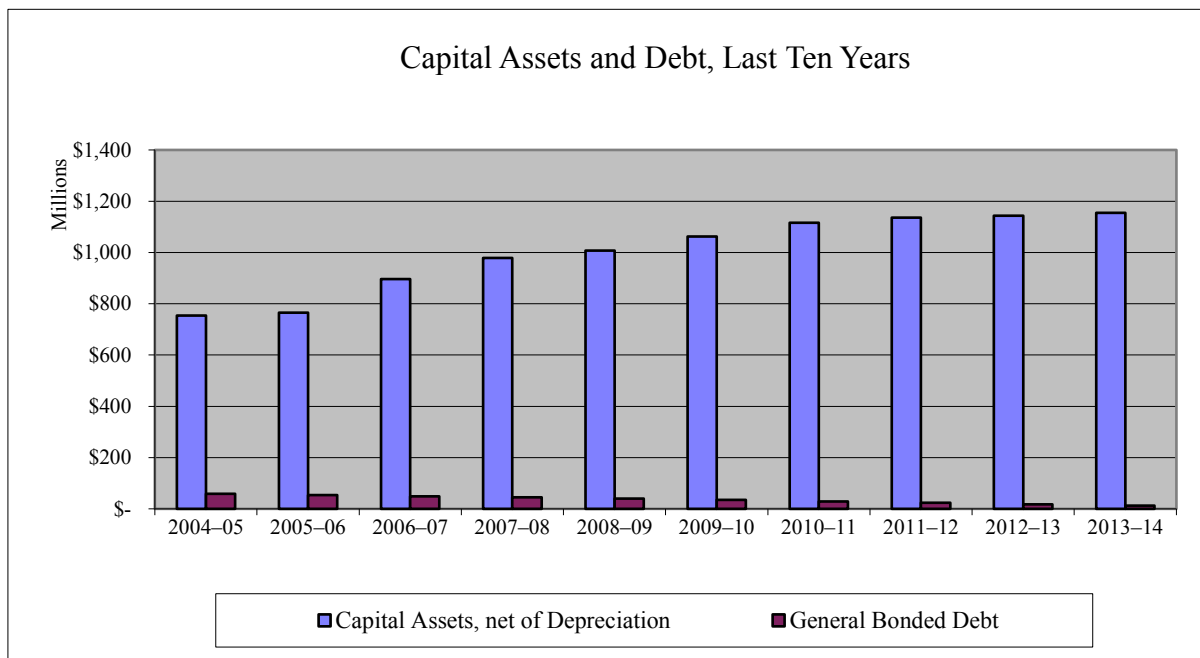




*Debt Capacity*

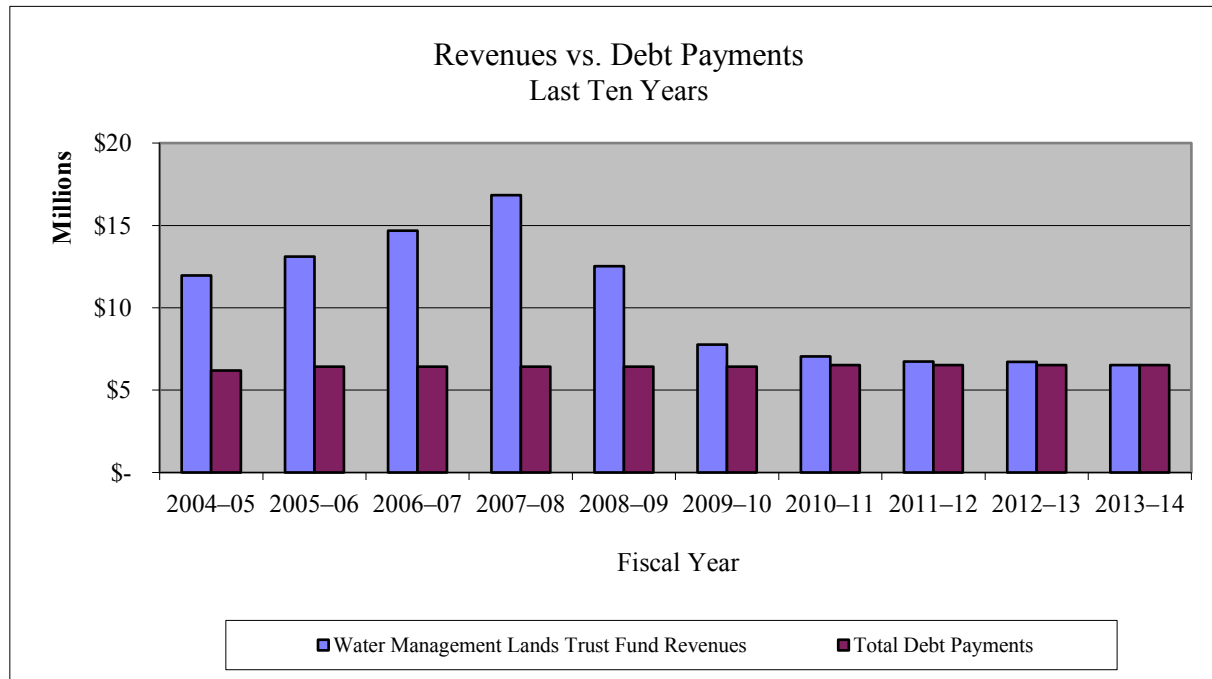
**ST. JOHNS RIVER MANAGEMENT DISTRICT, FLORIDA**  
**RATIO OF DEBT TO CAPITAL ASSETS, DEBT PER CAPITA, AND**  
**RATIO OF BONDED DEBT TO TAXABLE PROPERTY VALUE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt	Capital Assets, net of Depreciation	Ratio Debt to Net Capital Assets	Estimated Population at April 1	General Bonded Debt Per Capita
2004-05	\$ 58,085,000	\$ 753,570,819	7.71%	4,460,763	13.02
2005-06	53,730,000	764,965,524	7.02%	4,594,008	11.70
2006-07	49,205,000	896,139,366	5.49%	4,688,033	10.50
2007-08	44,480,000	979,219,559	4.54%	4,733,256	9.40
2008-09	39,600,000	1,007,199,969	3.93%	4,726,827	8.38
2009-10	34,555,000	1,061,731,344	3.25%	4,702,123	7.35
2010-11	29,240,000	1,116,164,303	2.62%	4,721,223	6.19
2011-12	23,765,000	1,135,995,216	2.09%	4,776,073	4.98
2012-13	18,120,000	1,143,245,328	1.58%	4,800,498	3.77
2013-14	12,290,000	1,155,043,216	1.06%	4,811,981	2.55



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

Fiscal Year	Water Management Lands Trust Fund Revenues	Principal	Interest and Fiscal Charges	Total	Coverage
2004-05	\$ 11,967,296	\$ 4,505,000	\$ 1,681,517	\$ 6,186,517	1.93
2005-06	13,107,479	4,355,000	2,064,450	6,419,450	2.04
2006-07	14,681,854	4,525,000	1,893,750	6,418,750	2.29
2007-08	16,840,571	4,725,000	1,694,125	6,419,125	2.62
2008-09	12,521,014	4,880,000	1,542,213	6,422,213	1.95
2009-10	7,762,669	5,045,000	1,372,843	6,417,843	1.21
2010-11	7,048,129	5,315,000	1,201,000	6,516,000	1.08
2011-12	6,735,207	5,475,000	1,041,850	6,516,850	1.03
2012-13	6,715,383	5,645,000	872,125	6,517,125	1.03
2013-14	6,518,363	5,830,000	688,362	6,518,362	1.00









## *Demographic and Economic Information*

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

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Alachua*	185,292	187,610	196,900	200,740	203,807
Baker*	22,262	23,238	25,134	25,396	25,404
Bradford*	1,406	1,427	1,233	1,233	1,233
Brevard	531,970	543,050	552,109	556,213	555,657
Clay	169,623	176,901	184,643	185,168	185,208
Duval	861,150	879,235	897,597	904,971	900,518
Flagler	78,617	89,075	93,568	95,512	94,901
Indian River	130,043	135,262	139,757	141,667	141,634
Lake*	261,649	275,353	285,780	287,656	291,263
Marion*	220,218	227,560	226,761	229,827	230,548
Nassau	65,759	68,188	69,569	71,915	72,588
Okeechobee*	770	789	732	750	742
Orange*	792,217	819,543	823,178	837,921	833,325
Osceola*	2,352	2,559	928	955	955
Putnam*	73,764	74,416	74,799	74,989	74,608
St. Johns	157,278	165,291	173,935	181,180	183,572
Seminole	411,744	420,667	425,698	426,413	423,759
Volusia	494,649	503,844	508,015	510,750	507,105
<b>SJRWMD Total</b>	<b>4,460,763</b>	<b>4,594,008</b>	<b>4,680,336</b>	<b>4,733,256</b>	<b>4,726,827</b>
Annual Percentage Increase	2.4%	3.0%	1.9%	1.1%	-0.1%

*Source: University of Florida Bureau of Economic and Business Research*

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

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
196,731	196,732	196,281	197,261	206,852
26,597	26,413	26,423	26,368	26,397
1,209	1,215	1,155	1,154	5,557
543,376	545,184	545,625	548,424	552,427
190,865	191,143	192,071	192,843	197,403
864,263	864,601	869,729	876,075	890,066
95,696	96,241	97,160	97,843	99,121
138,028	138,694	139,446	139,586	140,955
296,309	297,519	298,928	302,559	309,117
231,147	231,458	232,326	233,735	210,572
73,314	73,684	73,745	74,661	75,321
748	746	744	744	1,434
861,186	869,743	883,720	904,038	875,560
940	959	983	1,009	296
74,364	74,052	73,158	72,605	72,523
190,039	192,852	196,071	201,541	207,443
422,718	424,587	428,104	431,074	437,086
494,593	495,400	497,145	498,978	503,851
<b>4,702,123</b>	<b>4,721,223</b>	<b>4,752,814</b>	<b>4,800,498</b>	<b>4,811,981</b>
-0.5%	0.4%	0.7%	1.0%	0.2%

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Number of Employees <sup>1</sup>	691	691	715	717	717	717
District Population <sup>2</sup>	4,460,556	4,593,851	4,697,888	4,733,256	4,726,827	4,702,123
Employees Per 100,000 Population	15.5	15.0	15.2	15.1	15.2	15.2

<sup>1</sup>Number of Full Time Equivalent (FTEs) at the beginning of fiscal years.

<sup>2</sup>St. Johns River Water Management District estimates

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
717	591	591	591
4,721,223	4,752,814	4,800,498	4,811,981
15.2	12.4	12.3	12.3

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**TOP TEN NON-GOVERNMENT EMPLOYERS WITHIN A SINGLE COUNTY**  
**FISCAL YEAR 2013 and 2004**

<u><b>Employer</b></u>	<b>2013</b>			<b>2004</b>		
	<u><b>Number of Employees</b></u>	<u><b>Rank</b></u>	<u><b>County</b></u>	<u><b>Number of Employees</b></u>	<u><b>Rank</b></u>	<u><b>County</b></u>
Walt Disney World	69,000	1	Orange	53,500	1	Orange
Florida Hospital (Adventist Health)	25,712	2	Orange	14,225	2	Orange
Publix Super Markets, Inc.	17,521	3	Orange	9,927	6	Orange
Universal Orlando (Comcast)	17,300	4	Orange	12,000	5	Orange
Orlando Regional Healthcare System	14,201	5	Orange	12,754	4	Orange
Shands Hospital	12,588	6	Alachua	7,508	7	Alachua
Baptist Health*	8,270	7	Duval	-	-	-
Bank of America Merrill Lynch*	8,000	8	Duval	-	-	-
Health First	7,800	9	Brevard	6,000	10	Brevard
Darden Restaurants, Inc.*	7,600	10	Orange	-	-	-
Walmart^	-	-	-	13,139	3	Orange
Harris Corporation^	-	-	-	6,390	8	Brevard
United Space Alliance^	-	-	-	6,300	9	Brevard

\* 2004 information not available

^ 2013 information not available

Source: 2013 county and city CAFRs within the District's boundaries

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

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>
Alachua	3.0%	2.6%	3.0%	4.2%	6.9%	8.2%	7.7%	6.6%	5.4%	4.8%
Baker	3.5%	2.9%	3.6%	5.7%	10.3%	10.9%	9.9%	7.8%	6.7%	5.3%
Bradford	3.7%	2.8%	3.4%	4.7%	8.0%	9.6%	8.8%	7.2%	5.7%	5.1%
Brevard	3.6%	3.3%	4.4%	6.5%	10.8%	11.5%	11.1%	9.2%	7.9%	6.4%
Clay	3.4%	3.0%	3.5%	5.3%	9.4%	10.5%	9.3%	7.6%	6.3%	5.4%
Duval	4.2%	3.5%	4.1%	6.1%	10.7%	11.7%	10.6%	8.8%	7.4%	6.2%
Flagler	3.5%	4.2%	6.5%	9.6%	15.5%	15.5%	14.1%	11.6%	10.2%	8.4%
Indian River	4.6%	4.2%	5.8%	8.1%	13.6%	14.0%	12.6%	10.6%	9.1%	7.8%
Lake	3.6%	3.3%	4.2%	6.4%	11.4%	12.0%	11.2%	9.0%	7.5%	6.2%
Marion	3.6%	3.4%	4.6%	7.7%	12.8%	13.8%	12.3%	10.0%	8.3%	7.1%
Nassau	3.4%	2.9%	3.4%	5.4%	9.8%	10.9%	9.6%	7.7%	6.2%	5.2%
Okeechobee	5.0%	4.1%	5.3%	8.0%	12.1%	12.7%	11.7%	10.2%	8.7%	7.6%
Orange	3.6%	3.1%	3.8%	5.8%	10.7%	11.4%	10.3%	8.3%	6.8%	5.6%
Osceola	3.6%	3.4%	4.3%	6.4%	11.7%	12.4%	11.6%	9.3%	7.5%	6.3%
Putnam	4.5%	3.7%	4.7%	7.2%	11.9%	12.6%	11.9%	11.2%	9.4%	7.9%
St. Johns	2.9%	2.7%	3.3%	5.1%	8.7%	9.5%	8.5%	6.9%	5.6%	4.8%
Seminole	3.3%	2.9%	3.5%	5.6%	10.0%	10.7%	9.7%	7.8%	6.4%	5.1%
Volusia	3.6%	3.3%	4.2%	6.6%	11.2%	12.0%	10.8%	8.8%	7.3%	5.9%
<b>SJRWMD</b>	<b>3.7%</b>	<b>3.3%</b>	<b>4.0%</b>	<b>6.0%</b>	<b>11.0%</b>	<b>12.0%</b>	<b>10.5%</b>	<b>8.6%</b>	<b>7.1%</b>	<b>5.9%</b>
<b>Florida</b>	<b>3.8%</b>	<b>3.3%</b>	<b>4.1%</b>	<b>6.3%</b>	<b>10.2%</b>	<b>12.0%</b>	<b>10.5%</b>	<b>8.6%</b>	<b>7.2%</b>	<b>6.1%</b>
<b>U.S.</b>	<b>5.1%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>5.8%</b>	<b>9.3%</b>	<b>9.6%</b>	<b>8.9%</b>	<b>8.1%</b>	<b>7.4%</b>	<b>5.7%</b>

Source: <http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/local-area-unemployment-statistics> Retrieved 11/06/2014

<sup>1</sup>Effective October 1, 2003, the portion of Polk County located within St. Johns River Water Management District boundaries changed to be within the Southwest Florida Water Management boundaries.







## *Operating Information*



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

<b>Type of Ownership</b>	<b>Acres of Land or Conservation Easement Owners</b>									
	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<u>Full Fee:</u>										
Acquired	15,122	1,490	14,035	13,115	2,778	4,883	5,374	4	3,679	-735
Cumulative	562,992	564,482	578,517	591,632	594,410	599,292	604,666	604,670	608,349	607,614
<u>Conservation Easement:</u>										
Acquired	15,409	572	2,895	(3,391)	990	1,635	5,086	1,178	18,503	3,520
Cumulative	91,499	92,071	94,966	91,574	92,564	94,199	99,285	100,463	118,966	122,486
<b>Total Acres</b>	<b><u>654,491</u></b>	<b><u>656,553</u></b>	<b><u>673,482</u></b>	<b><u>683,206</u></b>	<b><u>686,974</u></b>	<b><u>693,491</u></b>	<b><u>703,951</u></b>	<b><u>705,133</u></b>	<b><u>727,315</u></b>	<b><u>730,100</u></b>

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

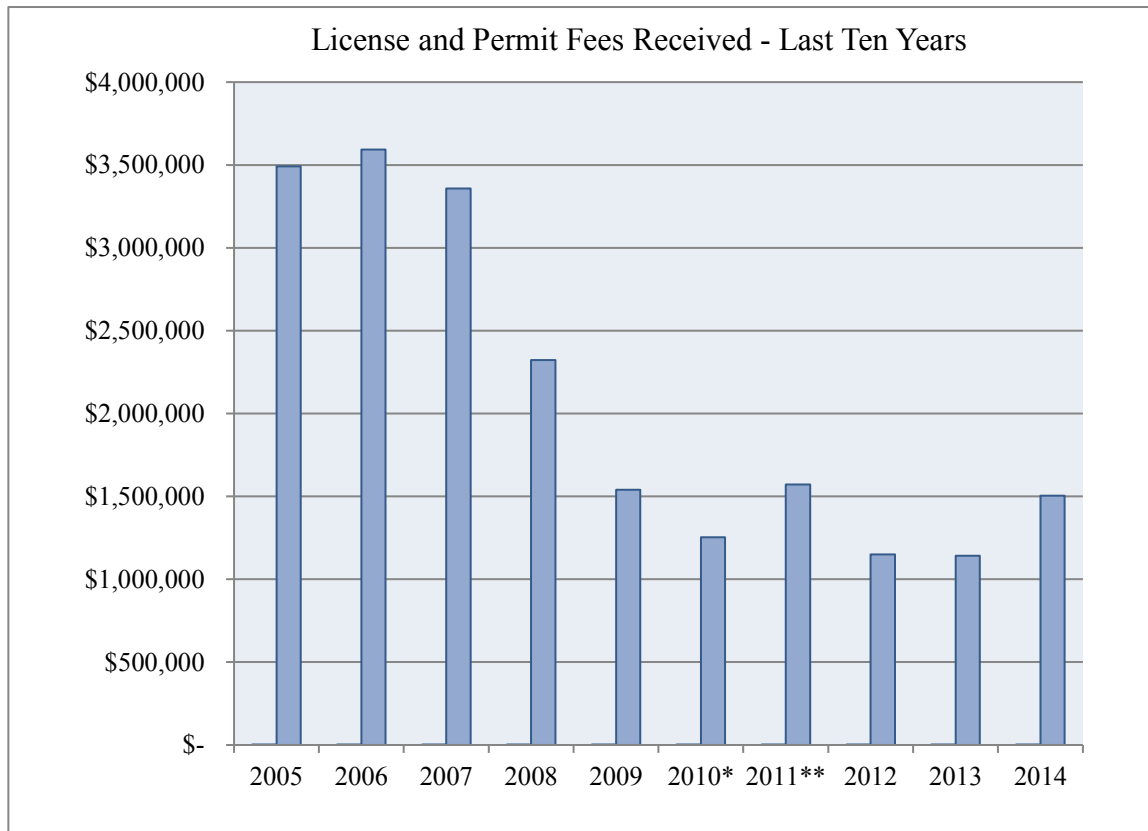
<b>Permit Category</b>	<b>Number of Permits</b>									
	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
Environmental Resource	3,534	3,792	3,497	2,671	1,844	1,593	1,395	908	1,315	2,114
Consumptive Use	297	371	395	331	249	348	229	328	241	218
Water Well Construction	<u>529</u>	<u>622</u>	<u>474</u>	<u>393</u>	<u>244</u>	<u>263</u>	<u>275</u>	<u>232</u>	<u>297</u>	<u>519</u>
<b>Total Applications</b>	<b><u>4,360</u></b>	<b><u>4,785</u></b>	<b><u>4,366</u></b>	<b><u>3,395</u></b>	<b><u>2,337</u></b>	<b><u>2,204</u></b>	<b><u>1,899</u></b>	<b><u>1,468</u></b>	<b><u>1,853</u></b>	<b><u>2,851</u></b>

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

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$ 3,491,770	\$ 3,593,279	\$ 3,357,891	\$ 2,322,017	\$ 1,539,179
<b>2010*</b>	<b>2011**</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
\$ 1,254,133	\$ 1,571,181	\$ 1,150,280	\$ 1,141,451	\$ 1,504,706

\* \$4,523 of this amount was collected for C-1 Rediversion Permit Fees

\*\* \$430,258 of this amount was collected for C-1 Rediversion Permit Fees



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

<b>Construction Type of Levee</b>	<b>Miles of Levees</b>									
	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
USACE & Flood Control	117.30	117.30	117.30	117.30	118.70	159.00	165.00	170.10	170.10	121.08
Farm	<u>185.33</u>	<u>185.33</u>	<u>185.33</u>	<u>185.33</u>	<u>185.33</u>	<u>147.00</u>	<u>147.00</u>	<u>147.00</u>	<u>147.00</u>	<u>196.02</u>
<b>Total Miles of Levees</b>	<b><u>302.63</u></b>	<b><u>302.63</u></b>	<b><u>302.63</u></b>	<b><u>302.63</u></b>	<b><u>304.03</u></b>	<b><u>306.00</u></b>	<b><u>312.00</u></b>	<b><u>317.10</u></b>	<b><u>317.10</u></b>	<b><u>317.10</u></b>



# **Comprehensive Annual Financial Report**

## **Other Reports Section**







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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Johns River Water Management District as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise St. Johns River Water Management District's basic financial statements, and have issued our report thereon dated February 9, 2015.

***Internal Control over Financial Reporting***

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

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

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

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### ***Compliance and Other Matters***

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

### **Purpose of this Report**

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

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

Gainesville, Florida  
February 9, 2015

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<b>Federal/State Agency, Pass-through Entity Federal Program/State Project</b>	<b>CFDA/ CSFA Number</b>	<b>Contract/ Grant Number</b>	<b>Expenditures</b>
<b>FEDERAL AWARDS</b>			
<b>U.S. Department of Agriculture</b>			
<b>Direct Programs</b>			
Wetlands Reserve Program			
Areal Herbicide Treatment Ocklawaha River	10.072	27504	\$ 26,650
Mowing Moccasin Island	10.072	27503	21,360
Areal Herbicide Treatment Orange Creek	10.072	27505	13,000
<b>Total U.S. Department of Agriculture</b>			<u>61,010</u>
<b>U.S. Environmental Protection Agency</b>			
<b>Direct Programs</b>			
Congressionally Mandated Projects			
West Volusia Water Suppliers Reclaimed Water System	66.202	27506	226,512
Development of East-Central Florida Project	66.202	SJ318XA	59,826
			<u>286,338</u>
National Estuary Program			
Indian River Comprehensive Conservation Plan	66.456	27194	<u>535,025</u>
<b>Pass through Florida Department of Environmental Protection</b>			
Passed through Brevard County Board of County Commissioners			
Nonpoint Source Implementation Grants			
Fleming Road Wet Detention Pond	66.460	27904-F	268,759
Performance Partnership Grants			
Surface & Ground Water Sampling	66.605	27703	209,492
Water Quality Management Planning			
Water Sampling for Temporal Variability Monitoring Network	66.454	27845	98,083
<b>Total U.S. Environmental Protection Agency</b>			<u>1,397,697</u>
<b>Department of the Interior</b>			
<b>Direct Programs</b>			
Coastal Wetlands Planning, Protection and Restoration Program			
Restore Dragline Ditched Coastal Wetlands	15.614	27448	31,033
Partners for Fish and Wildlife			
Astatula Scrub Restoration Project	15.631	26702	7,691
<b>Total Department of the Interior</b>			<u>38,724</u>
<b>Department of Commerce</b>			
<b>Pass through Florida NOAA</b>			
Habitat Conservation			
Florida Estuarine Habitat Restoration	11.463	27775	133,509
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>1,630,940</u>

(Continued)

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<b>Federal/State Agency, Pass-through Entity Federal Program/State Project</b>	<b>CFDA/ CSFA Number</b>	<b>Contract/ Grant Number</b>	<b>Expenditures</b>
<b>STATE FINANCIAL ASSISTANCE</b>			
<b>Florida Department of Environmental Protection</b>			
<b>Direct Projects</b>			
Water Management Districts - Land Acquisition			
Debt Service - Land Acquisition Bonds	37.022	DEBTSER	6,518,363
Restoration Activities - St Johns River	37.022	2013-10	1,211,668
Restoration Activities - St Johns River	37.022	2012-10	1,604,796
			<u>9,334,827</u>
Statewide Surface Water Restoration and Wastewater Projects			
Lower St. Johns River Basin - Initiative Plan Projects	37.039	2008-01	1,382,717
Wheeler Property Sebastian River Improvements	37.039	25290	356,322
Lincoln Villas Service Area 2 Project	37.039	27266	182,465
Aquatic Plant Control Program	37.039	27387	177,643
TriCounty Agricultural Area Best Management Practices Program	37.039	27871	144,897
Northern Coastal Basin - Initiative Plan Projects	37.039	2006-04	141,746
Aerial Survey of the IRL	37.039	27570	138,220
District Wide Surface Water Restoration Projects	37.039	2002-32	55,742
Upper Ocklawaha River Basin - Initiative Plan Projects	37.039	2009-15	47,685
Lower St. Johns River Basin Surface Water Restoration Projects	37.039	2005-02	18,848
Lower St. Johns River Basin - Initiative Plan Projects	37.039	2007-06	6,321
Lower St. Johns River Basin - Initiative Plan Projects	37.039	2009-12	3,626
Indian River Lagoon - Initiative Plan Projects	37.039	2008-04	227
			<u>2,656,459</u>
Florida Springs Grant Program			
Spring Initiative Projects	37.052	27788	871,657
Water Protection and Sustainability Program			
Alternative Water Supply Projects	37.066	WPSP	<u>173,801</u>
<b>Total Florida Department of Environmental Protection</b>			<u>13,036,744</u>

(Continued)

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<b>Federal/State Agency, Pass-through Entity Federal Program/State Project</b>	<b>CFDA/ CSFA Number</b>	<b>Contract/ Grant Number</b>	<b>Expenditures</b>
<b>Florida Department of Transportation</b>			
<b>Direct Projects</b>			
Mitigation Water Management Districts			
Basin 4 - Highbrighton Conservation Easement Property	55.031	SJ23-05	3,181,946
Basin 17 - Clark Bay Property	55.031	SJ52-08	992,933
Wheeler Parcel or Basin 22	55.031	SJ51-01	385,978
Wheeler Groves Property	55.031	SJ57-02	264,847
Mitigation Plan Preparation District Wide	55.031	FDOTMIT	169,700
Basin 1,2 or 3 Projects	55.031	SJ34-02	130,781
Basin 17 Projects	55.031	SJ52-06	112,068
Basin 20 Projects	55.031	SJ48-03	76,848
Basin 18 - Kemcho Property	55.031	SJ53-04	44,215
Logue Parcel	55.031	SJ53-01	38,460
West Augustine Property	55.031	SJ59-01	37,500
Basin 15 Projects	55.031	SJ41-02	13,911
Basin 4 or Belmore State Forest Projects	55.031	SJ23-03	13,527
State Road 415 Project	55.031	27341	12,825
Blue Cypress Water Management Area Projects	55.031	SJ48-04	11,396
Basin 11 - Habitat Enhancement Projects	55.031	SJ29-05	4,700
<b>Total Florida Department of Transportation</b>			<u>5,491,635</u>
<b>Florida Department of Highway Safety and Motor Vehicles</b>			
<b>Direct Projects</b>			
Indian River Lagoon License Plate			
Indian River Lagoon Projects	76.010	IRLTAG	187,870
<b>Florida Fish and Wildlife Conservation Commission</b>			
<b>Direct Projects</b>			
Aquatic Habitat Conservation and Restoration Projects			
FWMA Fisheries and Wildlife Habitat Enhancement	77.016	27611	494,072
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<u>19,210,321</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE</b>			<u><u>\$ 20,841,261</u></u>

(Continued)

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<b>Federal Grantor/Pass-Through Grantor/State Grantor/Matching Program Title</b>	<b>Grantor's Contract Number</b>	<b>Program Award/ Matching Amount</b>
<b>FEDERAL AWARDS</b>		
Indian River Comprehensive Conservation and Management Plan	27194	\$ 535,025
West Volusia Water Suppliers Reclaimed Water System	27506	189,106
Florida Estuarine Habitat Restoration	27775	75,851
Development of East-Central Florida Project	SJ318XA	67,463
Restore Dragline Ditched Coastal Wetlands	27448	20,688
<b>TOTAL FEDERAL AWARDS</b>		<u>888,133</u>
<b>STATE FINANCIAL ASSISTANCE</b>		
Wheeler Property Sebastian River Project	25290	365,322
Alternative Water Supply Projects	Multiple	173,801
Lower St. Johns River Basin - Initiative Plan Projects	2007-06	6,321
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>		<u>545,444</u>
<b>TOTAL MATCHING</b>		<u>\$ 1,433,577</u>

(Continued)

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Basis of Accounting**

The Schedule of Expenditures of Federal Awards and State Financial Assistance is prepared on the modified accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are used during the year for budgetary control purposes.

**Reporting Entity**

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

**Pass-Through Awards**

The District receives certain federal awards from pass-through awards of the state. The total amount of such pass-through awards is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**Subrecipients**

Of the expenses presented in the accompanying schedule of Federal awards and state financial assistance, the various grantors provided Federal and state awards to sub-recipients as follows:

<b>Federal Grantor/Pass-Through Grantor/State Grantor Subrecipient Program</b>	<b>Grant Number</b>	<b>CFDA/CSFA Number</b>	<b>Amount Provided To Subrecipients</b>
<b>U.S. Environmental Protection Agency</b>			
Congressionally Mandated Projects	27506	66.202	\$ 226,512
National Estuary Program	27194	66.456	139,689
			<u>366,201</u>
<b>Department of the Interior</b>			
Coastal Wetlands Planning, Protection and Restoration Program	27448	15.614	31,033
<b>Florida Department of Environmental Protection</b>			
Lower St. Johns River Basin - Initiative Plan Projects	2008-01	37.039	1,382,717
Lincoln Villas Service Area 2 Project	27266	37.039	182,465
District Wide Surface Water Restoration Projects	2002--32	37.039	55,742
Lower St. Johns River Basin Surface Water Restoration Projects	2005-02	37.039	18,848
Lower St. Johns River Basin - Initiative Plan Projects	2007-06	37.039	6,321
Lower St. Johns River Basin - Initiative Plan Projects	2009-12	37.039	3,626
			<u>1,649,719</u>

(Continued)



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<b>Federal Grantor/Pass-Through Grantor/State Grantor Subrecipient Program</b>	<b>Grant Number</b>	<b>CFDA/ CSFA Number</b>	<b>Amount Provided To Subrecipients</b>
<b>Statewide Direct Projects</b>			
Restoration Activities - St Johns River	2013-10	37.022	729,588
Restoration Activities - St Johns River	2012-10	37.022	693,731
			<u>1,423,319</u>
<b>Water Protection and Sustainability Program</b>			
Water Protection and Sustainability Program	Multiple	37.066	<u>173,801</u>
<b>Total Florida Department of Environmental Protection</b>			3,246,839
<b>Indian River Lagoon License Plate</b>			
Indian River Lagoon License Plate	IRLTAG	76.010	<u>113,315</u>
<b>Total Awards</b>			<u><u>\$ 3,757,388</u></u>
<b>Subrecipients are the following:</b>			
City of Jacksonville	2008-01, 27266		\$ 1,565,182
St Johns County	2012-10		771,947
Marion County	2013-13		320,380
Volusia County	27448		298,931
City of Deland	27506		226,512
City of Sanford	2013-10		141,310
City of Tavares	2006-22		121,045
St Lucie County	27194		71,754
East Coast Zoological Society	IRLTAG		65,676
City of Apopka	2007-12, 2008-05		52,756
Marine Discovery Center	27194, IRLTAG		48,639
Martin County School Board	27194		21,090
City of Fellsmere	27194		20,250
Florida Oceanographic Society	27194		10,595
City of Palm Bay	IRLTAG		10,000
Clay County Utility	2007-06		6,321
Balmoral Institute	27194		<u>5,000</u>
<b>Total Awards</b>			<u><u>\$ 3,757,388</u></u>

(Concluded)

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133, SECTION 215.97, FLORIDA STATUTES, AND CHAPTER 10.550, RULES OF THE STATE OF FLORIDA  
OFFICE OF THE AUDITOR GENERAL**

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

**Report on Compliance for Each Major Federal Program and Major State Project**

We have audited St. Johns River Water Management District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the State of Florida State Projects Compliance Supplement that could have a direct and material effect on each of St. Johns River Water Management District's major federal programs and major state projects for the year ended September 30, 2014. St. Johns River Water Management District's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of St. Johns River Water Management District's major federal programs and major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Section 215.97, Florida Statutes, Florida Single Audit Act; and Chapter 10.550, Rules of the State of Florida Office of the Auditor General. Those standards, OMB Circular A-133, Section 215.97, Florida Statutes, and Chapter 10.550, Rules of the State of Florida Office of the Auditor General require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project occurred. An audit includes examining, on a test basis, evidence about St. Johns River Water Management District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and major state project. However, our audit does not provide a legal determination of St. Johns River Water Management District's compliance.

### ***Opinion on Each Major Federal Program and Major State Project***

In our opinion, St. Johns River Water Management District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2014.

### **Report on Internal Control over Compliance**

Management of St. Johns River Water Management District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered St. Johns River Water Management District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or major state project as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with OMB Circular A-133, Section 215.97, Florida Statutes and Chapter 10.550, Rules of the State of Florida Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of St. Johns River Water Management District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133, Section 215.97, Florida Statutes and Chapter 10.550, Rules of the State of Florida Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*James Mann + Co., P.L.*

Gainesville, Florida  
February 9, 2015

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Section I. Summary of Auditors' Results:**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified?        Yes   X   None reported

Noncompliance material to financial statements noted?        Yes   X   No

**Federal Awards**

Internal control over major Federal programs:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified?        Yes   X   None reported

Type of auditors' report issued on compliance for major federal awards programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?        Yes   X   No

Identification of major Federal programs: CFDA No. 66.460, Nonpoint Source Implementation Grants

CFDA No. 66.202, Congressionally Mandated Projects

Dollar threshold used to distinguish between type A and type B Federal awards programs: \$300,000

Auditee qualified as a low-risk auditee?   X   Yes        No

**State Financial Assistance**

Internal control over major state financial assistance projects:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified?        Yes   X   None reported

**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**  
(Continued)

**Section I. Summary of Auditors' Results: (Continued)**

**State Financial Assistance (Continued)**

Type of auditors' report issued on compliance for major state financial assistance projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, Rules of the State of Florida Office of the Auditor General?

       Yes        X   No

Identification of major state financial assistance

CSFA No. 37.022, Water Management Districts - Land Acquisition

CSFA No. 37.052, Florida Springs Grant Program

CSFA No. 55.031, Mitigation Water Management Districts

CSFA No. 77.016, Aquatic Habitat Conservation and Restoration Projects

Dollar threshold used to distinguish between type A and type B state financial assistance projects:

\$576,310

**Section II. Financial Statement Findings:**

None.

**Section III. Federal Award Findings and Questioned Costs:**

None.

**Section IV. State Financial Assistance Findings and Questioned Costs:**

None.

**Section V. Federal Award Summary Schedule of Prior Year Findings:**

There were no audit findings for the year ended September 30, 2013.

**Section VI. State Financial Assistance Summary Schedule of Prior Year Findings:**

There were no audit findings for the year ended September 30, 2013.

## INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

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

We have examined the St. Johns River Water Management District's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2014. Management is responsible for the St. Johns River Water Management District's compliance with those requirements. Our responsibility is to express an opinion on the St. Johns River Water Management District's compliance based on our examination.

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

In our opinion, the St. Johns River Water Management District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

*James Moore & Co., P.L.*

Gainesville, Florida  
February 9, 2015

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A photograph of a pond with lily pads and a forest in the background. The pond is filled with green lily pads, and the water is calm. In the background, there is a dense forest of trees. The sky is clear and blue.

# **Comprehensive Annual Financial Report**

## **Management Letter Section**





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

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

**Report on the Financial Statements**

We have audited the financial statements of the St. Johns River Water Management District, as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated February 9, 2015.

**Auditors' Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Section 215.97, Florida Statutes, Florida Single Audit Act; and Chapter 10.550, Rules of the Auditor General.

**Other Reports and Schedule**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance, Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 9, 2015, 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 findings and recommendations made in the preceding annual financial audit report.

**Official Title and Legal Authority**

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

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## **Financial Condition**

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the St. Johns River Water Management District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the St. Johns River Water Management 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.

## **Annual Financial Report**

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the St. Johns River Water Management District for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined that these two reports were in agreement.

## **Special District Component Units**

Section 10.554(1)(i)5.d, Rules of the Auditor General, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

## **Monthly Financial Statements**

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its Web site. In connection with our audit, we determined that the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its Web site.

## **Transparency**

Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the District provided a link on its Web site to the Florida Department of Financial Service's Web site to view the District's annual financial report submitted to the Department. In connection with our audit, we determined that the District did not provide a link on its Web site to the Florida Department of Financial Service's Web site and therefore did not comply with this requirement.

Section 10.554(1)(i)6.c., Rules of the Auditor General, requires that we report the results of our determination as to whether the District posted its tentative and final budgets on its Web site. In connection with our audit, we determined that the District posted its tentative and final budgets on its Web site.

## Other Matters


Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. Our audit disclosed the following matters required to be disclosed by the Rules of the Auditor General (Section 10.554(1)(i)2.):

**2014-01 – Excess of Expenditures over Appropriations**— For the year ended September 30, 2014, the Florida Forever Fund's total expenditures exceeded appropriations by \$156,568. Expenditures over budget in the Florida Forever Fund were caused by a return of funds to the Florida Department of Environmental Protection, as the District did not identify an appropriate use for these funds prior to the expiration of the 12-month reuse period. This required budget amendments to expend, however no such amendments were executed. We recommend the St. Johns River Water Management District amend the budget allowed by Florida Statutes within 60 days of year-end so that expenditures do not exceed appropriations.

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

### Purpose of this Letter

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

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

Gainesville, Florida  
February 9, 2015



# St. Johns River Water Management District

Hans G. Tanzler III, Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500  
On the Internet at [floridaswater.com](http://floridaswater.com).

February 19, 2015

James Moore & Co., PL  
5931 NW 1<sup>st</sup> Place  
Gainesville, FL 32607

Response to the management letter comments for fiscal year 2013-2014 are shown below:

## Transparency – Website Link:

**Observation:** Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the District provided a link on its Web site to the Department of Financial Service's Web site to view the District's annual financial report submitted to the Department. In connection with our audit, we determined that the District did not provide a link on its Web site to the Florida Department of Financial Service's Web site and therefore did not comply with this requirement.

**Recommendation:** Provide the link above.

**Management Response:** Despite communications with appropriate oversight entities, the District is unable to identify a link to use in complying with this rule. In response to our request, the Auditor General provided a link for use in complying with this requirement. Their recommended link did not connect to the District's annual financial report on the Department of Financial Services as required by rule. Instead, it linked to a report generator page requiring the user to re-construct our report using multiple selections as to entity, date and type of transaction type. When a direct link to our report is available, the District will provide it on our website.

## 2014-01 – Excess of Expenditures over Appropriations:

**Observation:** For the year ended September 30, 2014, the Florida Forever Fund's total expenditures exceeded appropriations by \$156,568. Expenditures over budget in the Florida Forever Fund were caused by a return of funds to the Florida Department of Environmental Protection, as the District did not identify an appropriate use for these funds prior to the expiration of the 12-month reuse period. This required budget amendments to expend, however no such amendments were executed.

**Recommendation:** The District should amend the budget allowed by Florida Statutes within 60 days of year-end so that expenditures do not exceed appropriations.

**Management Response:** Since reimbursement to the state of unspent Florida Forever funds is required by rule, the District does not believe an appropriation was required. However, should this circumstance occur in the future, the District will secure budgetary appropriations prior to refunding any unspent money to the state.

## GOVERNING BOARD

John A. Miklos, CHAIRMAN  
ORLANDO

Fred N. Roberts Jr., VICE CHAIRMAN  
OCALA

Chuck Drake, SECRETARY  
ORLANDO

Carla Yetter, TREASURER  
FERNANDINA BEACH

Douglas C. Bournique  
VERO BEACH

Douglas Burnett  
ST. AUGUSTINE

Lad Daniels  
JACKSONVILLE

Maryam H. Ghyabi  
ORMOND BEACH

George W. Robbins  
JACKSONVILLE





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