

**Finance & Budget
Committee Meeting
May 17, 2014**

PRELIMINARY AGENDA

**FLORIDA INLAND NAVIGATION DISTRICT's
Finance and Budget Committee Meeting**

8:30 a.m., Saturday, May 17, 2014

**Courtyard by Marriott- Miami Coconut Grove
2649 South Bayshore Drive
Miami, (Miami-Dade County) FL 33133-5464**

Committee Members

Treasurer Blow, Chair

Commissioners Aaron Bowman, Tyler Chappell, Susanne McCabe and Jerry Sansom

Item 1. Call to Order.

Chair Blow will call the meeting to order.

Item 2. Roll Call.

Assistant Executive Director Janet Zimmerman will call the roll.

Item 3. Additions or Deletions.

Any additions or deletions to the committee meeting agenda will be announced.

RECOMMEND: Approval of a final agenda.

Item 4. Public Comments.

The public is invited to provide comments on issues that are NOT on today's agenda. All comments regarding a specific agenda item will be considered following the Committee's discussion of that agenda item. *Please note: Individuals who have comments concerning a specific agenda item should make an effort to fill out a speaker card or communicate with staff prior to that agenda item.*

Item 5. Financial Statements for March 2014.

The financial statements for March 2014 are presented for Committee approval.

(Please see back up pages 3 - 26)

RECOMMEND Approval of a recommendation to the full Board of the financial
statements for March 2014.

Item 6. March 2014 Expenditure and Project Status Reports.

The Expenditure and Project Status Report for March 2014 is presented for Board review.

(Please see back up pages 27 - 32)

Item 7. Draft Financial Audit for FY 2013 – 2013.

The District's Auditor has completed and will present a draft of the FY 2012-2013 Financial Audit for Committee review and input.

(Please see back up pages 33 - 73)

Item 8. Delegation of Authority Report.

Staff has prepared a report on Delegation of Authority actions that the Executive Director has made from April 1st through May 5th for Committee information.

(Please see back up page 74)

Item 8. Additional Agenda Items or Staff Comments.

Item 9. Additional Commissioners Comments.

Item 10. Adjournment.

If a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

FL INLAND NAVIGATION DISTRICT
BALANCE SHEET
At March 31, 2014

ASSETS		
BB&T Checking	\$	445,607.30
Petty Cash		300.00
Port Everglades/Dania Deposit		2,500,000.00
Accrued Interest Receivable		2,142.88
V-26 Land Sale Receivable		337,018.56
SBA Fund "A"		120,400.01
T.D. Bank		29,289,634.79
National City PNC		969,335.14
Suntrust Savings		1,288,229.28
FirstAtlantic CD 7/19/14		3,005,210.28
BankUnited CD 4/24/14		15,014,253.70
BankUnited MMA		10,076,227.09
BankUnited CD 11/20/14		5,032,236.49
TD CD 2/20/16		5,000,000.00
Gateway MMA		5,000,205.48
SUBTOTAL OF ASSETS		<u>78,080,801.00</u>
SBA Fund "B"		58,473.52
Unrealized loss/gain Fund "B"		15,707.89
FUND "B" Net of unrealized loss		<u>74,181.41</u>
TOTAL ASSETS		<u>\$ 78,154,982.41</u>
LIABILITIES		
Accounts Payable	\$	450,523.58
Retainage Payable - Grants		41,499.07
Retainage Payable - Contracts		208,865.05
Deferred Revenue V-26		337,018.56
TOTAL LIABILITY		<u>1,037,906.26</u>
FUND EQUITY		
Reserve for Port Everglades		2,500,000.00
Reserv for Sub Yr Expenditure		61,256,370.09
Current Year Fund Balance		13,360,706.06
TOTAL FUND EQUITY		<u>77,117,076.15</u>
TOTAL LIABILITY & FUND EQUITY		<u>\$ 78,154,982.41</u>

Unaudited - For Management Purposes Only

FL INLAND NAVIGATION DISTRICT
STATUS OF FUNDS
March 31, 2014

GENERAL ACCOUNTS

Petty Cash	\$	300.00	
BB&T Checking		<u>445,607.30</u>	
			445,907.30

SAVINGS ACCOUNTS

Gateway MMA	5,000,205.48	
National City PNC	969,335.14	
T.D. Bank	29,289,634.79	
Suntrust Savings	1,288,229.28	
BankUnited MMA	<u>10,076,227.09</u>	
		46,623,631.78

CERTIFICATES OF DEPOSITS

FirstAtlantic CD 7/19/14	3,005,210.28	
BankUnited CD 4/24/14	15,014,253.70	
BankUnited CD 11/20/14	5,032,236.49	
TD CD 2/20/16	<u>5,000,000.00</u>	
		28,051,700.47

STATE BOARD OF ADMINISTRATION

SBA Fund "B"	58,473.52	
Unrealized loss/gain Fund "B"	15,707.89	
SBA Fund "A"	<u>120,400.01</u>	
		194,581.42

TOTAL	\$	<u><u>75,315,820.97</u></u>
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FL INLAND NAVIGATION DISTRICT
Interest and Term of FUNDS
March 31, 2014

<u>Account</u>	<u>Balance</u>	<u>Rate</u>	<u>Estimated Annual Int.</u>	<u>Bauer Rating</u>	<u>Term</u>
Petty Cash	\$300.00	N/A			N/A
Suntrust Savings	\$1,288,229.28	0.07%	\$901.76	****	On Demand
PNC	\$969,335.14	0.10%	\$969.34	***1/2	On Demand
TD Bank	\$29,289,634.79	0.25%	\$73,224.09	****	On Demand
BBT Checking	\$445,607.30	0.00%	\$0.00	*****	On Demand
BBT Zero Balance	\$0.00	0.00%	\$0.00	*****	On Demand
FirstAtlantic Bank CD	\$3,005,210.28	0.36%	\$10,818.76	****	7/19/2014
SBA Fund "B"	\$74,181.41	0.00%	\$0.00		Frozen at this time
SBA Fund "A"	\$120,400.01	0.15%	\$180.60		On demand
TD Bank	\$5,000,000.00	0.31%	\$15,500.00	****	2/20/2016
Gateway	\$5,000,205.48	0.31%	\$15,500.64	*****	On Demand
BankUnited CD	\$15,014,253.70	0.50%	\$75,071.27	*****	4/24/2014
BankUnited CD	\$5,032,236.49	0.70%	\$35,225.66	*****	11/20/2014
BankUnited MMA	\$10,076,227.09	0.30%	\$30,228.68	*****	On Demand
TOTAL Deposits	<u>\$75,315,820.97</u>		<u>\$257,620.78</u>	Est. Annual Interest	
Estimated Annual Effective Yield		0.34%			
Benchmark S.B.A.		0.15%			

SBA Fund "B"

\$58,473.52

\$15,707.89 Unrealized Gain

\$74,181.41 NAV

FL INLAND NAVIGATION DISTRICT
Budget vs. Actual Revenues with Variance Amounts
For the 6 Months Ending
March 31, 2014

ACCT #	ACCOUNT DESCRIPTION	BUDGET ANNUAL	ACTUAL Y-T-D	Amount (Under)/Over
3103	Ad Valorem Taxes - Dade	6,594,483	5,812,172	(782,311)
3102	Ad Valorem Taxes - Broward	4,396,769	3,983,431	(413,338)
3108	Ad Valorem Taxes - Palm Beach	4,332,608	3,944,504	(388,104)
3104	Ad Valorem Taxes - Duval	1,587,452	1,452,740	(134,712)
3101	Ad Valorem Taxes - Brevard	861,989	821,577	(40,412)
3111	Ad Valorem Taxes - Volusia	816,518	745,572	(70,946)
3110	Ad Valorem Taxes - St. Lucie	503,586	469,341	(34,245)
3107	Ad Valorem Taxes - Martin	571,079	480,980	(90,099)
3109	Ad Valorem Taxes - St. Johns	583,037	533,177	(49,860)
3106	Ad Valorem Taxes - Indian Riv.	428,307	395,798	(32,509)
3105	Ad Valorem Taxes - Flagler	210,035	197,879	(12,156)
3112	Ad Valorem Nassau County	206,565	220,549	13,984
3642	Sale of Land	339,000	0	(339,000)
3611	Interest Income	250,000	59,318	(190,682)
3699	Other Misc. Revenue	0	9,392	9,392
3414	Reproduction	0	0	0
3415	Due from other govts	3,600,000	0	(3,600,000)
3613	Interest from Tax Collectors	0	0	0
TOTALS		25,281,428	19,126,430	(6,154,998)
Status of FUNDS 3/31/14		75,315,821		
Expected Remaining Rev		6,154,998	Expected Remaining Revenue	
Cash/Funding 13/14		81,470,819		
Less Payables		-700,888		
Status of Funds		80,769,931	80,769,931	
Current Budget		86,012,993		
Current Expenses YTD		-5,765,720		
Remaining Cash Expenses 13/14		80,247,273	80,247,273	
Expected Excess Funding Over Expenses Current Budget			522,658	
Total Expected Excess			522,658	

FL INLAND NAVIGATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Six Months Ending March 31, 2014

REVENUES	Current Month	Year to Date
Ad Valorem Taxes - Brevard	57,153.51	821,576.99
Ad Valorem Taxes - Broward	85,733.45	3,983,431.10
Ad Valorem Taxes - Dade	172,333.55	5,812,171.53
Ad Valorem Taxes - Duval	37,853.51	1,452,739.92
Ad Valorem Taxes - Flagler	14,089.95	197,878.70
Ad Valorem Taxes - Indian R	11,410.89	395,798.12
Ad Valorem Taxes - Martin	10,434.57	480,979.89
Ad Valorem Taxes - Palm Be	98,322.96	3,944,503.61
Ad Valorem Taxes - St. John	0.00	533,177.00
Ad Valorem Taxes - St. Luci	13,049.03	469,341.25
Ad Valorem Taxes - Volusia	25,015.70	745,572.34
Ad Valorem Nassau County	0.00	220,549.36
Interest Income	15,484.24	58,772.01
Interest from State Bd of Ad	15.79	30.22
Interest from Tax Collectors	0.00	515.85
Other Misc. Revenue	0.00	9,391.58
TOTAL REVENUES	540,897.15	19,126,429.47

EXPENDITURES

ADMINISTRATION

Salaries & Wages	48,830.92	277,077.09
P/R Tax Expense FICA & M	3,735.55	20,759.95
Retirement Contribution	3,963.53	20,300.01
Health Insurance	6,498.59	38,521.29
Legal Expense	11,804.82	42,451.12
Bank Charges	426.52	2,097.16
SBA Fund "B"unrealized los	(551.76)	(4,748.90)
Travel & Per Diem	12,897.86	40,156.13
Utility Service	917.06	3,118.71
Insurance and Bonds	4,831.94	12,310.88
Repairs & Maintenance Svc.	1,205.48	4,552.08
Office Supplies	1,637.88	7,974.16
Dues & Subscriptions	5,000.00	13,927.92
Govt Relations	8,510.00	51,086.00
Staff Training	0.00	(1,140.00)
TOTAL ADMINISTRATION	109,708.39	528,443.60

OPERATIONS

DMMA Mgmt & Maint.	38,048.30	204,728.14
Spoil Isl. Enh. & Rest.	7,408.94	16,620.22
Waterway Cleanup	0.00	15,000.00
Boating Event Sponsorship	0.00	3,750.00
ICW Dredging General	16,331.97	29,332.48
Sm Scale Derlct Vessl Rmvl	20,000.00	20,000.00
IWW Deepening Broward	5,887.38	19,055.38
IWW PB Reach 2 & 4 Dredg	0.00	95,670.00
Crossroads Dredging	5,145.00	17,332.51
IWW Vicinity Ponce Inlet	4,406.67	875,507.42
IWW Deepening PBCO	134,280.87	155,293.29
IWW Dredging St. Lucie	3,286.25	3,286.25
Operations Equipment	1,155.60	7,177.41

Unaudited - For Management Purposes Only

FL INLAND NAVIGATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Six Months Ending March 31, 2014

	Current Month	Year to Date
TOTAL OPERATIONS	235,950.98	1,462,753.10
CAPITAL OUTLAY		
Land - General	0.00	1,541.66
Furn., Fix. & Equip. -Capital	0.00	1,580.89
DMMA Development	0.00	20,278.16
DMMA NA-1 Contruction	2,199.04	459,379.59
SJ-14 Restoration	2,462.00	5,798.48
Broward Co. ICW/Dania	9,423.00	250,944.21
DMMA FL-3 Constuction	40,445.00	99,770.62
BV-4B Construction	1,545.00	1,545.00
DU-8	17,491.00	17,491.00
SJ20A	11,966.75	11,966.75
Lt 13	8,849.09	14,614.94
TOTAL CAPITAL OUTLA	94,380.88	884,911.30
WATERWAY STUDIES		
Waterway Plans	0.00	13,266.04
Channel Surveys	41,020.00	41,020.00
Seagrass Survey	0.00	20,742.00
Mitigation Plans	10,040.88	41,648.45
DMMP Updates	32,177.05	44,165.02
TOTAL WATERWAY STU	83,237.93	160,841.51
INTERLOCALS		
Ft. Ldrdale Bahia Mar Dredg	0.00	2,774.10
Ft. Lrdle Las Olas Drdging 1	0.00	972.80
TOTAL INTERLOCALS	0.00	3,746.90
WATERWAYS ASSISTANCE PROGRAM		
St. Johns Co. Vilano Beach R	0.00	40,000.00
Hallandale Bch City Marina	0.00	293,370.00
Miami Bch South Pte Per ph	0.00	269,223.30
Stuart Flting docks fire prot.	0.00	25,000.00
Riviera Bch Marina Const.	0.00	1,500,000.00
TOTAL WATERWAYS AS	0.00	2,147,593.30
COOPERATIVE ASSISTANCE PROGRAMS		
TOTAL COOPERATIVE AS	0.00	0.00
MANATEE SIGNS		
TOTAL MANATEE SIGNS	0.00	0.00

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FL INLAND NAVIGATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Six Months Ending March 31, 2014

	<u>Current Month</u>	<u>Year to Date</u>
PUBLIC INFORMATION		
FIND Display Development	0.00	783.75
Communications	1,876.27	8,357.37
Public Information	921.48	4,443.48
Legal Advertising	647.36	3,045.29
Outreach Events	1,345.40	8,229.01
TOTAL PUBLIC INFORMA	<u>4,790.51</u>	<u>24,858.90</u>
DISASTER RELIEF ACCOUNT		
TOTAL DISASTER RELEIF	<u>0.00</u>	<u>0.00</u>
TAX COLLEC. & PROPERTY APPR. COMMISSIONS		
Prop. Appraiser's Commissio	131,604.92	200,142.05
Tax Collector's Commissions	8,849.43	352,432.75
TOTAL TAX COLLEC. & P	<u>140,454.35</u>	<u>552,574.80</u>
TOTAL EXPENDITURES	<u>668,523.04</u>	<u>5,765,723.41</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (127,625.89)</u>	<u>\$ 13,360,706.06</u>
CHANGES in FUND BALANCE		
Reserv for Sub Yr Expenditure	\$	(61,256,370.09)
		<u>(13,360,706.06)</u>
FUND BALANCE- ENDING		<u>(74,617,076.15)</u>

5/6/14 at 10:15:38.69

FL INLAND NAVIGATION DISTRICT**Cash Receipts Journal**

For the Period From Mar 1, 2014 to Mar 31, 2014

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Date	Account I	Transacti	Line Descriptio	Debit Amnt	Credit Amnt	Receipt Number
3/1/14	3111 5321 1610	E031114	Current taxes Less Comm Volusia County Tax Collector	 111.19 5,451.62	5,562.81	
3/4/14	3103 5321 1610	E030314	Current taxes Less Comm Metro Dade County	 214.51 21,236.12	21,450.63	
3/7/14	3105 5321 1610	47725	Current taxes Less Comm. Flagler County Tax Collector	 203.18 9,955.87	10,159.05	
3/10/14	3110 5321 1610	E031014	Current taxes Less Comm. St. Lucie County Tax Collector	 3.46 169.78	173.24	
3/10/14	3106 5321 1610	E	Current taxes Less Comm Indian River Cty. Tax Collect	 134.45 6,587.72	6,722.17	
3/10/14	3108 5321 1610	E031214	Current taxes Less Comm. Palm Beach County Tax Collect	 1,888.54 92,538.07	94,426.61	
3/10/14	3108 5321 1610	E032614	Current taxes Less Comm. Palm Beach County Tax Collect	 77.93 3,818.42	3,896.35	
3/11/14	3101 5321 1610	E31114	Current Taxes Less Comm. Brevard County Tax Collector	 339.96 16,658.26	16,998.22	
3/11/14	3111 5321 1610	E030614	Current Taxes Less Comm Volusia County Tax Collector	 135.62 6,644.78	6,780.40	
3/11/14	3111 5321 1610	E031114	Current Taxes Less comm Volusia County Tax Collector	 2.22 143.07	145.29	
3/14/14	3104 5321 1610	E031914	Current Taxes Less Comm. City of Jacksonville	 303.29 14,861.36	15,164.65	
3/14/14	3101	41114	Current taxes		40,155.29	

5/6/14 at 10:15:38.69

FL INLAND NAVIGATION DISTRICT**Cash Receipts Journal**

For the Period From Mar 1, 2014 to Mar 31, 2014

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Date	Account I	Transacti	Line Descriptio	Debit Amnt	Credit Amnt	Receipt Number
	5321		Less Comm	803.11		
	1610		Brevard County Tax Collector	39,352.18		
3/17/14	3110	E31414	Current Taxes		2,862.20	
	5321		Less Comm.	57.21		
	1610		St. Lucie County Tax Collector	2,804.99		
3/17/14	3103	E31114	Current taxes		317.54	
	5321		less comm	3.18		
	1610		Metro Dade County	314.36		
3/17/14	3103	E3/11/14	Current taxes		5,143.93	
	5321		less comm.	51.44		
	1610		Metro Dade County	5,092.49		
3/19/14	3104	E03/14/16	Current Taxes		17,665.47	
	5321		Less Comm	353.31		
	1610		City of Jacksonville	17,312.16		
3/19/14	3107	E03/07/14	Current Taxes		10,434.57	
	5321		Less Comm	208.69		
	1610		Martin County Tax Collector	10,225.88		
3/19/14	3110	E030614	Current taxes		3,813.44	
	5321		Less Comm.	76.28		
	1610		St. Lucie County Tax Collector	3,737.16		
3/19/14	3110	E03/07/14	Current Taxes		5.47	
	5321		Less Comm	0.11		
	1610		St. Lucie County Tax Collector	5.36		
3/19/14	3105	47536	Current Taxes		3,930.90	
	5321		Less comm.	78.62		
	1610		Flagler County Tax Collector	3,852.28		
3/21/14	3104	E032114	Current taxes		5,023.39	
	5321		Less Comm.	100.47		
	1610		City of Jacksonville	4,922.92		
3/21/14	3106	E32814	Current Taxes		4,688.72	
	5321		Less Comm.	93.77		
	1610		Indian River Cty. Tax Collect	4,594.95		
3/21/14	3111	E03/21/14	Current taxes		5,151.88	
	5321		Less Comm	103.04		
	1610		Volusia County Tax Collector	5,048.84		

5/6/14 at 10:15:38.71

FL INLAND NAVIGATION DISTRICT**Cash Receipts Journal**

For the Period From Mar 1, 2014 to Mar 31, 2014

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Date	Account I	Transacti	Line Descriptio	Debit Amnt	Credit Amnt	Receipt Number
3/24/14	3110	E031714	Current taxes		2,675.22	
	5321		less comm	53.49		
	1610		St. Lucie County Tax Collector	2,621.73		
3/24/14	3103	E03/17/14	Current taxes		145,421.45	
	5321		Less Comm.	1,454.22		
	1610		Metro Dade County	143,967.23		
3/27/14	3110	E03/27/14	Current taxes		3,519.46	
	5321		Less Comm	70.40		
	1610		St. Lucie County Tax Collector	3,449.06		
3/31/14	3111	E03/26/14	Current taxes		7,375.32	
	5321		Less Comm.	147.51		
	1610		Volusia County Tax Collector	7,227.81		
3/31/14	3102	E031414	Current taxes		85,733.45	
	5321		Less Comm	1,714.67		
	1610		Broward County Tax Collector	84,018.78		
				<u>525,397.12</u>	<u>525,397.12</u>	

5/6/14 at 10:15:31.95

FL INLAND NAVIGATION DISTRICT

Purchase Journal

For the Period From Mar 1, 2014 to Mar 31, 2014

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by Date. Report is printed in Detail Format.

Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
3/1/14	5400 Travel & Per Diem 2020 Accounts Payable	03/18/14	March Board meeting T. Spencer Crowley	756.95	756.95
3/1/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	2014-1258	Landscape maint. MSA 617C March Artistic Palms Landscaping	200.00	200.00
3/1/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	3/31/14	Commissions Due P.A. St. Johns County Property Appr	2,572.47	2,572.47
3/1/14	5480 Public Information 2020 Accounts Payable	4/1/14	Files Storage rental -April Iron Mountain, Inc.	263.85	263.85
3/6/14	5510 Office Supplies 2020 Accounts Payable	2/18/14	Office Supplies Toshiba	14.21	14.21
3/7/14	5430 Utility Service 2020 Accounts Payable	02/14/14	Electric Service 1/13/14-2/12/14 Florida Power & Light	7.76	7.76
3/7/14	5430 Utility Service 2020 Accounts Payable	02/20/14C	Electric Service MSA 640 01/21/14-02/18/14 Florida Power & Light	9.51	9.51
3/7/14	5319.65 Channel Surveys 2020 Accounts Payable	02/21/14	Payment 1 Centerline Survey Morgan & Eklund, Inc	41,020.00	41,020.00
3/7/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	03/01/14	Commissions Due Nassau County Property Appraiser	1,026.25	1,026.25
3/7/14	5460 Repairs & Maintenance Svc. 2020 Accounts Payable	03/03/14	Cleaning Services FIND headquarters Jupiter Carpet Care	150.00	150.00
3/7/14	5400 Travel & Per Diem 2020 Accounts Payable	03/05/14	FIND Board, DC travel Jerry Sansom	1,861.89	1,861.89
3/7/14	5311 Prop. Appraiser's Commissions	03/14	Commissions Due	9,253.75	

5/6/14 at 10:15:31.97

FL INLAND NAVIGATION DISTRICT

Purchase Journal

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	2020 Accounts Payable		Palm Beach Cty Prop Appraiser		9,253.75
3/7/14	5644 Sm Scale Derlet Vessl Rmvl 2020 Accounts Payable	03/14/14	1st and final DA-13-03-2013 derelict Miami-Dade County	20,000.00	20,000.00
3/7/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	15256	General Engineering Taylor Engineering	4,762.00	4,762.00
3/7/14	5553.25 Broward Co. ICW/Dania 2022 Retainage Payable - Contracts 2020 Accounts Payable	15258	Dania Cutoff Canal project Less ret. Taylor Engineering	9,423.00	471.15 8,951.85
3/7/14	5552.9512 IWW Deepening Broward 2022 Retainage Payable - Contracts 2020 Accounts Payable	15259	Dania Deepening Less Ret. Taylor Engineering	4,468.38	223.42 4,244.96
3/7/14	5552.967 DMMA NA-1 Contruction 2022 Retainage Payable - Contracts 2020 Accounts Payable	15260	DMMA NA-1 Less retainage Taylor Engineering	1,260.85	63.04 1,197.81
3/7/14	5552.9695 DMMA FL-3 Constuction 2022 Retainage Payable - Contracts 2020 Accounts Payable	15264	DMMA FL-3 Less ret. Taylor Engineering	30,899.00	1,544.95 29,354.05
3/7/14	5552.975 IWW Vicinity Ponce Inlet 2022 Retainage Payable - Contracts 2020 Accounts Payable	15265	Ponce inlet dredging Less Retainage Taylor Engineering	4,406.67	220.33 4,186.34
3/7/14	5552.95 ICW Dredging General 2022 Retainage Payable - Contracts 2020 Accounts Payable	15269	Cut one Okeechobee Waterway Less ret. Taylor Engineering	5,075.99	253.80 4,822.19
3/7/14	5552.957 SJ-14 Restoration	15270	SJ-14 Salinity	1,692.00	

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FL INLAND NAVIGATION DISTRICT

Purchase Journal

For the Period From Mar 1, 2014 to Mar 31, 2014

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by Date. Report is printed in Detail Format.

Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	2022 Retainage Payable - Contracts		Less Ret.		84.60
	2020 Accounts Payable		Taylor Engineering		1,607.40
3/7/14	5319.68 DMMP Updates	15271	DMMA plan update	9,248.03	
	2022 Retainage Payable - Contracts		Less Ret.		462.40
	2020 Accounts Payable		Taylor Engineering		8,785.63
3/7/14	5319.67 Mitigation Plans	15272	Seagrass mitigation Brevard County	2,485.87	
	2022 Retainage Payable - Contracts		Less retainage		124.29
	2020 Accounts Payable		Taylor Engineering		2,361.58
3/7/14	5319.67 Mitigation Plans	15273	Seagrass mitigation IRC	7,555.01	
	2022 Retainage Payable - Contracts		Less ret.		377.75
	2020 Accounts Payable		Taylor Engineering		7,177.26
3/7/14	5552.9697 DU-8	15282	DU-8 Pipeline easement	2,308.00	
	2022 Retainage Payable - Contracts		Less ret.		115.40
	2020 Accounts Payable		Taylor Engineering		2,192.60
3/7/14	5552.9698 SJ20A	15283	DMMA SJ-20A	925.00	
	2022 Retainage Payable - Contracts		Less ret.		46.25
	2020 Accounts Payable		Taylor Engineering		878.75
3/7/14	5552.974 Crossroads Dredging	15285	Crossroads maint	5,145.00	
	2022 Retainage Payable - Contracts		Less ret.		257.25
	2020 Accounts Payable		Taylor Engineering		4,887.75
3/7/14	5430 Utility Service	2/13/14	Electric Service MSA617c 1/10-2/11-14	7.76	
	2020 Accounts Payable		Florida Power & Light		7.76
3/7/14	5552.08 DMMA Mgmt & Maint.	2/14/14	O-23 fence repair	375.00	
	2020 Accounts Payable		David Barton		375.00

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FL INLAND NAVIGATION DISTRICT

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For the Period From Mar 1, 2014 to Mar 31, 2014

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
3/7/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	2/14/14c	Installed Fence MSA 645 David Barton	2,936.00	2,936.00
3/7/14	5400 Travel & Per Diem 2020 Accounts Payable	2/18/14	Feb. Board meeting John C. Blow	438.46	438.46
3/7/14	5430 Utility Service 2020 Accounts Payable	2/20/14	Electric Service 1/21/14-2/18/14 Florida Power & Light	8.09	8.09
3/7/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	2/24/14	SJ-1 Cantilever gate installation 2014 David Barton	5,575.32	5,575.32
3/7/14	5410 Communications 2020 Accounts Payable	2/24/14	Postage for meter Total funds by Hasler	458.04	458.04
3/7/14	5410 Communications 2020 Accounts Payable	2/24/14	Local, Long distance, DSL 03/01/03/28 Comcast	315.11	315.11
3/7/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	2/24/14b	MSA 645 fence David Barton	350.00	350.00
3/7/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	2/25/14	Commissions due Martin County Prop. Appraiser	1,653.50	1,653.50
3/7/14	5410 Communications 2020 Accounts Payable	2/27/14	Courier Services 1/30-2/14/14 United Parcel Service	15.15	15.15
3/7/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	2014-1155	Landscape maint. MSA 617c Feb. Artistic Palms Landscaping	200.00	200.00
3/7/14	5614 Lt 13 2020 Accounts Payable	2769	Appraisal for LT 13 S.F. Holden	7,785.09	7,785.09
3/7/14	5490 Legal Advertising	2952125	Public Notice FIND Meeting	145.60	

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FL INLAND NAVIGATION DISTRICT

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For the Period From Mar 1, 2014 to Mar 31, 2014

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	2020 Accounts Payable		Scripps Treasure Coast Newspaper		145.60
3/7/14	5410 Communications 2020 Accounts Payable	3/3/14	Courier Services 01/24-2/17/14 Federal Express	56.12	56.12
3/7/14	2022 Retainage Payable - Contracts 2020 Accounts Payable	5319.67	Payment of retainage Taylor Engineering	1,328.15	1,328.15
3/7/14	5310 Legal Expense 2020 Accounts Payable	6607	Legal services-General Breton, Lynch, Eubanks & Suarez PA	6,804.82	6,804.82
3/7/14	5510 Office Supplies 2020 Accounts Payable	9510933	Office Supplies Quill, Corp.	171.05	171.05
3/7/14	5220 Retirement Contribution 2020 Accounts Payable	E030714	Retirement Contributions ER Florida Retirement System	3,963.53	3,963.53
3/7/14	5430 Utility Service 2020 Accounts Payable	E2/20/14	Electric Service FIND headquarters 1/21/14-2/18/14 Florida Power & Light	358.20	358.20
3/7/14	2022 Retainage Payable - Contracts 2020 Accounts Payable	SOR Cross	Payment of retainage Taylor Engineering	4,672.13	4,672.13
3/7/14	2022 Retainage Payable - Contracts 2020 Accounts Payable	SOR30514	Payment of retainage Taylor Engineering	24,025.02	24,025.02
3/7/14	2022 Retainage Payable - Contracts 2020 Accounts Payable	SORC2012	Payment of retainage Taylor Engineering	6,893.19	6,893.19
3/11/14	5400 Travel & Per Diem	03/05/14M	FIND Board meeting, Washington Trip,	2,292.37	
	5510 Office Supplies		Office Supplies	201.98	
	5402 Outreach Events		FIND outreach	1,345.40	
	5641 Operations Equipment		Fuel	123.40	

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FL INLAND NAVIGATION DISTRICT

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	2020 Accounts Payable		BB&T Financial FSB		3,963.15
3/11/14	5614 Lt 13 2020 Accounts Payable	122546	Lot 13 eminent Domain Caldwell Pacetti Edwards	1,064.00	1,064.00
3/11/14	5460 Repairs & Maintenance Svc. 2020 Accounts Payable	2/19/14	Pest Control FIND headquarters Truly Nolen, Inc.	120.00	120.00
3/11/14	5400 Travel & Per Diem 2020 Accounts Payable	3/11/14	February Travel Mark Tamblyn	233.00	233.00
3/11/14	5400 Travel & Per Diem 2020 Accounts Payable	3/4/14	January, Feb. Travel Janet Zimmerman	338.56	338.56
3/11/14	5450 Insurance and Bonds 2020 Accounts Payable	3/7/14	General, Auto, Property, Workers Comp Florida Municipal Insurance	4,319.00	4,319.00
3/11/14	5230 Health Insurance 5410 Communications 5510 Office Supplies 2020 Accounts Payable	31014BS	Dental Insurance BS Verio Webhosting Office Supplies BB&T Financial FSB	417.88 163.94 169.96	751.78
3/11/14	5400 Travel & Per Diem 5641 Operations Equipment 2020 Accounts Payable	31014MT	Site Inspections Fuel Supplies BB&T Financial FSB	166.00 980.74	1,146.74
3/11/14	5641 Operations Equipment 5400 Travel & Per Diem 2020 Accounts Payable	31014jz	Fuel FIND Board meeting DC trip BB&T Financial FSB	51.46 1,738.13	1,789.59
3/11/14	5460 Repairs & Maintenance Svc. 2020 Accounts Payable	62	Annual Inspection Royal Fire & Safety Co. Inc.	62.00	62.00
3/11/14	5310	693	State representation Feb.	2,500.00	

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FL INLAND NAVIGATION DISTRICT

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	Legal Expense 2020 Accounts Payable		Moyle Law Firm, P.A.		2,500.00
3/11/14	5510 Office Supplies 2020 Accounts Payable	96928	Copier Maint./Excess 02/01/14-03/01/14 Delta/Omni Business Solutions	185.01	185.01
3/11/14	5480 Public Information 2020 Accounts Payable	KBT9141	Files storage rental 3/01-3/31/14 Iron Mountain, Inc.	252.63	252.63
3/12/14	5430 Utility Service 2020 Accounts Payable	030614	Electric Service BV-11 Florida Power & Light	8.00	8.00
3/12/14	5312 Govt Relations 2020 Accounts Payable	23168	Federal Representation Alcalde & Fay	8,510.00	8,510.00
3/12/14	5400 Travel & Per Diem 2020 Accounts Payable	3/10/14	Washington Trip Lynn Williams	1,698.86	1,698.86
3/17/14	5410 Communications 2020 Accounts Payable	3/13/14	Postage meter lease payment Mail Finance	65.67	65.67
3/17/14	5410 Communications 2020 Accounts Payable	3/17/14	Cellular Phone Services 02/07-03/06/14 Sprint	402.38	402.38
3/20/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	03/18/14	Commissions Due Broward County Property Appr	7,500.75	7,500.75
3/20/14	5400 Travel & Per Diem 2020 Accounts Payable	03/20/14	March Board Meeting John C. Blow	308.37	308.37
3/20/14	5510 Office Supplies 2020 Accounts Payable	1237161	Office Supplies Quill, Corp.	38.68	38.68
3/21/14	5400 Travel & Per Diem 2020	03/21/14	March Board Meeting Lynn Williams	492.70	492.70

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	Accounts Payable				
3/21/14	5510 Office Supplies 2020 Accounts Payable	1217929	Office Supplies Quill, Corp.	21.98	 21.98
3/21/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	2013267	Commissions Due St. Lucie County Property Appr	1,804.43	 1,804.43
3/21/14	5552.93 Spoil Isl. Enh. & Rest. 2020 Accounts Payable	3/21/14	1st and final SI FDEP 13 02 FL Dept. Env. Protection	7,408.94	 7,408.94
3/21/14	5552.976 IWW Deepening PBCO 2021 Retainage Payable - Grants 2020 Accounts Payable	3/21/14	1st payment ICW PB-13-01 Less ret. Palm Beach Co. D.E.R.M.	127,515.27	 12,751.53 114,763.74
3/21/14	5480 Public Information 2020 Accounts Payable	3244	Storage rental April Safeway Storage & Warehouses,	405.00	 405.00
3/24/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	03/14/14	Commissions Due PA 2010 Miami-Dade County	49,827.00	 49,827.00
3/24/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	03/19/14	Commissions Due PA 2011 Miami-Dade County	53,095.00	 53,095.00
3/24/14	5400 Travel & Per Diem 2020 Accounts Payable	3/19/14	March Board Meeting Jon Netts	301.33	 301.33
3/25/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	03/14/14	Commissions Due Brevard County Property Appr	3,958.33	 3,958.33
3/25/14	5450 Insurance and Bonds 2020 Accounts Payable	03/24/14	Dental Insurance-M.T. S.S. Florida Municipal Insurance	512.94	 512.94
3/25/14	5400 Travel & Per Diem 2020	03/24/14	March Board Meeting Aaron Bowman	290.05	 290.05

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	Accounts Payable				
3/25/14	5400 Travel & Per Diem 2020 Accounts Payable	03/24/14	February Board Meeting Charles Isminger	254.10	254.10
3/25/14	5400 Travel & Per Diem 2020 Accounts Payable	03/24/14b	FIND Board meeting March Charles Isminger	559.05	559.05
3/25/14	5510 Office Supplies 2020 Accounts Payable	1379421	Office supplies Quill, Corp.	146.00	146.00
3/25/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	14-031314	Landscape maint. Duval, St. Johns Geomill LLC	14,465.00	14,465.00
3/25/14	5400 Travel & Per Diem 2020 Accounts Payable	3/24/14	Feb. March Board meeting Susanne McCabe	603.41	603.41
3/25/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	449	Landscape maint. FIND headquarters World Class Landscaping	120.00	120.00
3/25/14	5510 Office Supplies 2020 Accounts Payable	88315	Office Supplies StaplesBusiness Advantage	19.68	19.68
3/26/14	5430 Utility Service 2020 Accounts Payable	03/24/14	Fl-12 02/18-03/19/14 Florida Power & Light	9.20	9.20
3/26/14	5230 Health Insurance 2020 Accounts Payable	3/24/14D	Disability Insurance-May State of Florida Employees Ins	146.59	146.59
3/26/14	5430 Utility Service 2020 Accounts Payable	3/24/14a	Electric service 541 2/11-3/11 Florida Power & Light	9.33	9.33
3/26/14	5430 Utility Service 2020 Accounts Payable	3/24/14b	Electric Services FIND headquarters 2/18 3/19/14 Florida Power & Light	210.27	210.27

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
3/26/14	5430 Utility Service 2020 Accounts Payable	3/26/14c	Electric Service 02/20-03/21/14 Florida Power & Light	8.07	8.07
3/26/14	5430 Utility Service 2020 Accounts Payable	3/26/14d	Electric Service 2/12/14-3/12/14 MSA 617c Florida Power & Light	7.76	7.76
3/26/14	5230 Health Insurance 2020 Accounts Payable	32614H	Health Insurance May State of Florida Employees Ins	5,750.64	5,750.64
3/26/14	5230 Health Insurance 2020 Accounts Payable	32614L	Life Insurance-May State of Florida Employees Ins	183.48	183.48
3/26/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	86370	NA-1 Bald Eagle Monitoring Environmental Services, Inc.	971.18	971.18
3/26/14	5410 Communications 2020 Accounts Payable	E03/24/14	Local, long distance, DSI 03/29-04/28 Comcast	305.61	305.61
3/26/14	5430 Utility Service 2020 Accounts Payable	E32414	Water Services FIND headquarters 01/24-02/24/14 Town of Jupiter	144.06	144.06
3/27/14	5400 Travel & Per Diem 2020 Accounts Payable	03/24/14	March Board Meeting Donald Cuozzo	564.63	564.63
3/27/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	15320	General Engineering Taylor Engineering	6,923.50	6,923.50
3/27/14	5552.9512 IWW Deepening Broward 2022 Retainage Payable - Contracts 2020 Accounts Payable	15322	Broward County Deepening Less ret. Taylor Engineering	1,419.00	70.95 1,348.05
3/27/14	5552.967 DMMA NA-1 Contruction 2022 Retainage Payable - Contracts 2020	15323	NA-1 Construction Less ret. Taylor Engineering	938.19	46.91 891.28

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	Accounts Payable				
3/27/14	5552.976 IWW Deepening PBCO 2022	15325	Palm Beach County Deepening project Less ret.	6,765.60	338.28
	Retainage Payable - Contracts 2020		Taylor Engineering		6,427.32
	Accounts Payable				
3/27/14	5552.9695 DMMA FL-3 Constuction 2022	15327	FL3 Construction Less Ret.	9,546.00	477.30
	Retainage Payable - Contracts 2020		Taylor Engineering		9,068.70
	Accounts Payable				
3/27/14	5552.95 ICW Dredging General 2022	15330	Crossroads/ Okeechobee Less ret.	11,255.98	562.80
	Retainage Payable - Contracts 2020		Taylor Engineering		10,693.18
	Accounts Payable				
3/27/14	5552.957 SJ-14 Restoration 2022	15331	SJ-14 salinity monitoring Less ret.	770.00	38.50
	Retainage Payable - Contracts 2020		Taylor Engineering		731.50
	Accounts Payable				
3/27/14	5319.68 DMMP Updates 2022	15332	DMMA Plan Nassau and Duval Less ret.	22,929.02	1,146.45
	Retainage Payable - Contracts 2020		Taylor Engineering		21,782.57
	Accounts Payable				
3/27/14	5552.9697 DU-8 2022	15342	DU-8 Pipeline Sleeve Less Ret.	15,183.00	759.15
	Retainage Payable - Contracts 2020		Taylor Engineering		14,423.85
	Accounts Payable				
3/27/14	5552.9698 SJ20A 2022	15343	SJ 20A Less ret.	11,041.75	552.09
	Retainage Payable - Contracts 2020		Taylor Engineering		10,489.66
	Accounts Payable				
3/27/14	5552.9696 BV-4B Construction 2022	15346	BV4b Less Ret.	1,545.00	77.25
	Retainage Payable - Contracts 2020		Taylor Engineering		1,467.75
	Accounts Payable				

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
3/27/14	5552.952 IWW Dredging St. Lucie Reac 2022 Retainage Payable - Contracts 2020 Accounts Payable	15347	St. Lucie Reach one Less ret. Taylor Engineering	3,286.25	 164.31 3,121.94
3/27/14	5460 Repairs & Maintenance Svc. 2020 Accounts Payable	2061281	Sercurity Service FIND headquarters 1/1/14-3/31/14 Tyco Integrated Security, LLC	361.74	 361.74
3/27/14	5460 Repairs & Maintenance Svc. 2020 Accounts Payable	21354349	Security Service Aprilthru June Tyco Integrated Security, LLC	361.74	 361.74
3/28/14	5321 Tax Collector's Commissions 2020 Accounts Payable	032914	Commissions St. Lucie Tax Collector	65.56	 65.56
3/28/14	5510 Office Supplies 2020 Accounts Payable	1258181	Office Supplies Quill, Corp.	331.28	 331.28
3/28/14	5540 Dues & Subscriptions 2020 Accounts Payable	2153	Annual Membership dues AIWA	5,000.00	 5,000.00
3/28/14	5410 Communications 2020 Accounts Payable	333E58124	Courier Services 2/27-3/19/14 United Parcel Service	27.45	 27.45
3/28/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	86573	NA-1 Bald Eagle Monitoring Environmental Services, Inc.	580.30	 580.30
3/31/14	5490 Legal Advertising 2020 Accounts Payable	03/07/14	Public notice FIND meeting Morris Communications	482.40	 482.40
3/31/14	5460 Repairs & Maintenance Svc. 2020 Accounts Payable	03/28/14	Cleaning Servcies March Jupiter Carpet Care	150.00	 150.00
3/31/14	5430 Utility Service 2020	03/31/14	Water service 02/24-03/24/14 FIND Headquarters Town of Jupiter	129.05	 129.05

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Date	Account ID Account Description	Invoice/C	Line Description	Debit Amount	Credit Amount
	Accounts Payable				
3/31/14	5410 Communications 2020 Accounts Payable	03/31/14	Courier Services 2/25-3/20/14 Federal Express	66.80	66.80
3/31/14	5490 Legal Advertising 2020 Accounts Payable	04/02/14	Public notice FIND meeting News-Journal Corporation	19.36	19.36
3/31/14	5552.08 DMMA Mgmt & Maint. 2020 Accounts Payable	140861	Dredge Spoil Monitoring Environmental Consulting Technology	590.00	590.00
3/31/14	5311 Prop. Appraiser's Commissions 2020 Accounts Payable	3/31/14	Commissions Due Flagler County Property Appr	913.44	913.44
3/31/14	5310 Legal Expense 2020 Accounts Payable	726	State legislative services-March Moyle Law Firm, P.A.	2,500.00	2,500.00
3/31/14	5510 Office Supplies 2020 Accounts Payable	8765603	Office supplies Quill, Corp.	172.79	172.79
3/31/14	5510 Office Supplies 2020 Accounts Payable	8791354	Office Supplies Quill, Corp.	165.26	165.26
				644,216.43	644,216.43

FL INLAND NAVIGATION DISTRICT
 CONDENSED BUDGET SUMMARY
 For the Current Fiscal Year - Six Months Ending March 31, 2014

	Budget Annual	Actual To-Date	Difference
EXPENSES			
Administration	1,076,021	528,443	547,578
Operations	33,347,329	1,462,751	31,884,578
Capital Program	12,717,711	884,912	11,832,799
Waterway Studies	1,668,991	160,841	1,508,150
Interlocals	857,288	3,747	853,541
Waterways Assistance Program	34,010,907	2,147,593	31,863,314
Cooperative Assistance Program	525,000	0	525,000
Public Information	183,308	24,858	158,450
Disaster Relief Account	966,438	0	966,438
Tax Collec.& Property Appr.Commi:	660,000	552,575	107,425
Total Annual Budget	\$ 86,012,993		
Total Actual to Date		\$ 5,765,720	
Total Difference			80,247,273

FL INLAND NAVIGATION DISTRICT
Project Status Expenditure Report - Budget vs. Actual
For the Six Months Ending March 31, 2014

ACCT #	ACCOUNT DESCRIPTION	BUDGET ANNUAL	ACTUAL Y-T-D	Amount Under/<Over>	Project Status
Administration					
5120	Salaries & Wages	\$ 524,266	\$ 277,077	247,189	
5121	Compensated Absences	15,553	0	15,553	
5122	Temporary Help	3,710	0	3,710	
5210	P/R Tax Expense FICA & MED	40,000	20,760	19,240	
5220	Retirement Contribution	29,000	20,300	8,700	
5230	Health Insurance	70,000	38,521	31,479	
5310	Legal Expense	95,000	42,451	52,549	
5312	Govt Relations	96,000	51,086	44,914	
5320	Annual Audit	32,000	0	32,000	Fieldwork completed Draft in progress
5322	Bank Charges	3,300	2,097	1,203	
5323	SBA Fund "B" unrealized loss	0	(4,749)	4,749	Showing gain on SBA fund B
5400	Travel & Per Diem	75,000	40,156	34,844	
5430	Utility Service	14,000	3,119	10,881	
5450	Insurance and Bonds	22,000	12,311	9,689	
5460	Repairs & Maintenance Svc.	15,000	4,552	10,448	
5510	Office Supplies	19,000	7,974	11,026	
5512	Staff Training	3,000	(1,140)	4,140	
5540	Dues & Subscriptions	19,192	13,928	5,264	
	Total Administration	1,076,021	528,443	547,578	
Operations Equipment					
5551	Waterway Inspections	20,000	0	20,000	Completed April 2014
5552.08	DMMA Mgmt & Maint.	680,000	204,728	475,272	
5552.93	Spoil Isl. Enh. & Rest.	20,000	16,620	3,380	
5552.94	Waterway Cleanup	100,000	15,000	85,000	Nassau, Volusia cleanup completed
5552.941	Boating Event Sponsorship	5,000	3,750	1,250	
5552.95	ICW Dredging General	4,184,242	29,332	4,154,910	
5552.9512	IWW Deepening Broward	20,150,623	19,055	20,131,568	County permit pending
5552.952	IWW Dredging St. Lucie Reach 1	495,900	3,286	492,614	Engineering initiated
5552.953	IRCO Reach One	3,058,219	0	3,058,219	WO for const. pending
5552.971	OWWD	146,338	0	146,338	
5552.972	Sawpit Dredging*	0	0	0	Project completed
5552.973	IWW PB Reach 2 & 4 Dredg	550,000	95,670	454,330	Permitting ongoing
5552.974	Crossroads Dredging *	0	17,333	(17,333)	Project completed
5552.975	IWW Vicinity Ponce Inlet *	859,682	875,507	(15,825)	Project completed
5552.976	IWW Deepening PBCO	2,958,352	155,293	2,803,059	Permits pending
5641	Operations Equipment	19,000	7,177	11,823	
5644	Sm Scale Derlct Vessl Rmvl	100,000	20,000	80,000	
	Total Operations	33,347,356	1,462,751	31,884,605	

FL INLAND NAVIGATION DISTRICT
Project Status Expenditure Report - Budget vs. Actual
For the Six Months Ending March 31, 2014

ACCT #	ACCOUNT DESCRIPTION	BUDGET ANNUAL	ACTUAL Y-T-D	Amount Under/<Over>	Project Status
Capital					
5552.951	DMMA Development	744,163	20,278	723,885	
5552.957	DMMA SJ-14 Restoration	1,117,744	5,798	1,111,946	Mitg. Contract Executed
5552.965	MSA 614B Mit/Boaters Prk	60,000	0	60,000	
5552.967	DMMA NA-1 Construction *	600,000	459,380	140,620	Project complete
5552.968	DMMA O-7 Construction *	3,078,405	0	3,078,405	CFA requested
5552.9695	DMMA FL-3 Construction	3,500,000	99,771	3,400,229	Construction initiated
5552.9696	DMMA BV-4B Construction	675,000	1,545	673,455	Engineering Initiated
5552.9697	DMMA DU-8	100,000	17,491	82,509	Pipesleeve Design
5552.9698	DMMA SJ-20A	600,000	11,967	588,033	Engineering Initiated
5552.9699	DMMA MSA-726	550,000			Clear/Landscape Initiated
5553.25	Broward Co. ICW/Dania	456,568	250,944	205,624	Funded by Carry Forward
5610	Land - General	1,130,331	1,542	1,128,789	
5614	Lt 13	100,000	14,615	85,385	Re-surveyed
5640	Furn., Fix. & Equip. -Capital	5,500	1,581	3,919	
	Total Capital	12,717,711	884,912	11,832,799	
Waterway Studies					
5319.46	GIS Project	47,298	0	47,298	Major update/ hire consultant
5319.64	Waterway Plans	298,036	13,266	284,770	MC/SLC Public workshops being held
5319.65	Channel Surveys	750,000	41,020	708,980	Centerline survey ongoing
5319.66	Seagrass Survey	137,664	20,742	116,922	Season pending
5319.67	Mitigation Plans	235,966	41,648	194,318	Martin Co. done/ Brevard, IRC underway
5319.68	DMMP Updates	200,000	44,165	155,835	Nassau/Duval Underway
	Total Waterways	1,668,964	160,841	1,508,123	
Interlocal					
7014	Ft. Ldrdale Bahia Mar Dredg 1	80,646	2,774	77,872	Complete awaiting Construction Contract
7015	Ft. Lrdle Las Olas Drdging 1	49,523	973	48,550	Complete Awaiting Constructin Contract
7132	Bahia Mar Marina Drdg ph 1A	206,543	0	206,543	Project underway
7133	las Olas Marina & Aquatic Ph1	258,898	0	258,898	Project Underway
7120	PBCO S. Lake Worth ICW Chnl	261,678	0	261,678	Project underway at 90%
	Total Interlocal	857,288	3,747	853,541	
WAP					
7009	WPB Kayak Paddle Boat Lncn ph	30,000	20,000	10,000	Project Complete
7012	Broward Co Ch Markers Ph1	30,000	0	30,000	Permits rcvd/project 100%
7020	Miami Marine Stadium Ph 1	175,000	0	175,000	Expired
7021	Miami Woman's Club Baywalk Ph	20,286	0	20,286	Ph I project complete
7028	Jax Ortega River Mooring	100,000	0	100,000	Markers complete, Mooring 30%
7029	Jax Trout River Mooring Fid	323,000	0	323,000	Project on hold
7036	Brevard Co Blue Crab Cve Ph1	56,250	0	56,250	Project at 98%
7037	Brevard Co Kelly Prk Dock	148,750	0	148,750	Complete
7038	Cocoa Bch Spoil Site Dev Ph1	100,000	0	100,000	Project Complete

FL INLAND NAVIGATION DISTRICT
Project Status Expenditure Report - Budget vs. Actual
For the Six Months Ending March 31, 2014

ACCT #	ACCOUNT DESCRIPTION	BUDGET ANNUAL	ACTUAL Y-T-D	Amount Under/<Over>	Project Status
7040	Titusville Ch Maint Dredge Ph1	52,500	0	52,500	Project withdrawn
7044	Stuart Fltng docks fire prot.	25,000	25,000	0	Complete
7045	P.B.C. Bert Winters Rmp	90,000	0	90,000	Property being replatted
7047	PBC Johns Island Reef B	406,250	0	406,250	Complete
7048	PBC Lake Wyman Restoration	372,868	0	372,868	Agr voted down by Boca
7049	Pahokee Rt 2 Chnl Markers	20,850	0	20,850	No activity
7050	Pahokee Marina Wave Attn	37,500	0	37,500	No activity
7051	Riviera Bch Marina Const.	1,500,000	1,500,000	0	Complete
7054	Miami Baywalk at Bicent Prk	1,143,000	0	1,143,000	60% Complete but delays
7056	Miami Kennedy Prk Shrlne Stab	75,000	0	75,000	99% complete
7058	Miami Marine Stdin Ph1	800,000	0	800,000	On Hold
7059	Miami Seybold & Wagner Crk	1,000,000	0	1,000,000	developing RFP
7060	Miami Bch 10th St Park & Sewll	472,820	0	472,820	Design 100%, FDOT delay
7061	Miami-Dde Co Dinner Key Spoil	300,000	0	300,000	Project 98%
7062	Miami Dde Co Mar Stadium Stab	400,000	0	400,000	Project 98%
7063	Miami-Dde Co Vizcaya Stab Ph1	41,000	0	41,000	Const bid awarded
7066	Atlantic Beach Marsh Presrve	17,000	0	17,000	95% , waiting on ACOE permit
7067	Jax Mayport Boat Ramp	401,675	0	401,675	Contactar Selected
7068	Jax Pottsburg Creek Dredge ph1	125,000	0	125,000	Project 75% Complete
7069	St.Aug Salt Run Channel Dredge	210,000	0	210,000	Project Bid Awarded
7070	St. Aug. San Sebastian River	100,000	0	100,000	6,000 cy removed
7072	St. Johns Co. Vilano Beach Rmp	40,000	40,000	0	Complete
7073	Flagler Co Bings Landing Imp	64,040	0	64,040	100% Com
7074	Flagler Co Bings Lndg Rest-doc	76,900	0	76,900	80% Com
7075	Flagler Co. Eyes on Navigation	22,210	0	22,210	Cameras working 100% Complete
7076	New Smyrna Swoope Bt Rmp 2	494,000	0	494,000	Ribbon cutting March 2014
7077	Volusia mariners Cove Bt Rmp	40,000	0	40,000	50% Complete
7078	Brvard Co. Griffis Lnding Ph 2	304,241	0	304,241	85% Complete
7080	Brvrd Co Kelly Park East Dock	71,500	0	71,500	Complete
7082	Melbourne Hrse Creek Bt Inch	30,000	0	30,000	99% Complete
7083	Melbme Harbor Chnl Drge Ph 1	40,000	0	40,000	99% Complete
7084	Palm Bay Waterfront	58,875	0	58,875	Facilities 25% Complete
7085	IRCO Lagoon Greenway Ph B-2	156,000	0	156,000	Project at 50%
7086	Ft. Pierce Moores Creek Dredg	47,726	0	47,726	75% Complete
7088	Belle Glade Boardwalk Nav. Doc	29,000	0	29,000	100% Complete
7089	Boca Raton Inlet Dredge Equip	109,050	0	109,050	75% Complete
7090	Jupiter Riverwalk Public Docks	780,940	0	780,940	Docks Installed, Riverwalk 100%
7091	PBCO Burt Reynolds Park ph1	50,000	0	50,000	permit pre application meeting
7092	PBCO Fullerton Island Rest prj	794,030	0	794,030	54,618 cy Project underway 50%
7093	Town of Palm bch Waterway ph1	40,000	0	40,000	85% complete
7094	Riviera Bch Bicentennial Prk 1	50,000	0	50,000	Design 75% .
7095	Riviera Bch Marina Const.	1,000,000	0	1,000,000	Project at 99% Complete
7096	WPB Currie Prk Boat Accss Ph 1	25,000	0	25,000	10% Complete
7097	WPB Currie Prk Fishing pier	394,000	0	394,000	25% Complete
7098	Dania Bch Marina Renovation	1,382,505	0	1,382,505	75% Complete
7099	Sullivan Park Exp Ph1	307,500	0	307,500	6% Complete
7100	Ft. Lauderdale SE 15th st Rmp	876,906	0	876,906	15% complete
7101	Hallandale Bch City Marina	347,040	293,370	53,670	Project Complete

FL INLAND NAVIGATION DISTRICT
Project Status Expenditure Report - Budget vs. Actual
For the Six Months Ending March 31, 2014

ACCT #	ACCOUNT DESCRIPTION	BUDGET ANNUAL	ACTUAL Y-T-D	Amount Under/<Over>	Project Status
7102	Hollywood Waterway Master Pln	75,000	0	75,000	35% Complete
7103	Pompano Bch Alsdorf Prk Imp	91,757	0	91,757	Plans 100% Complete
7104	Bal Harbor Village Sand Bypass	50,000	0	50,000	Interlocal applied by City
7105	Miami Little River Park Aq B	183,750	0	183,750	20% Complete
7106	Miami Manatee Bend	38,500	0	38,500	80% Complete permits
7107	Miami Marine Stadium Marina 2	785,000	0	785,000	31% Permits Complete
7108	Miami Pallot Prk Shoreline ph 1	30,000	0	30,000	80% Complete
7109	Miami Wagner Creek Dredge Ph I	700,000	0	700,000	Seeking additional funds
7110	Miami Spoil Isl Dock Ph 2	57,500	0	57,500	floating dock delivered
7111	Miami Bch South Pte Per ph2	986,000	269,223	716,777	41% Complete
7112	Miami-Dade River greenways	500,000	0	500,000	Constructin at 99%
7113	Mimi-dade co. Pelican Hrbor	1,200,000	0	1,200,000	concrete damage > expected
7114	Mimi Dade Vizcaya Shoreline	134,000	0	134,000	33% complete, beginning const
7115	No Bay Village Baywalk Piza 1	50,250	0	50,250	No activity
7116	No Bay Village Vogel Park imp	110,167	0	110,167	No activity
7121	Griffis Blue Crab Cove Ph B	394,000	0	394,000	2% working on bids
7122	Jorgensen's Boat Rmp Rplcmnt	9,400	0	9,400	Agreement Executed
7123	Park Chnl Dredge Ph1	35,000	0	35,000	Agreement Executed
7124	Lee Wenner Renovation Ph1	75,000	0	75,000	10% Complete
7125	Cocoa Beach Spoil Site Ph2	175,433	0	175,433	25% Complete
7126	Anne Kolb Nature Center	250,000	0	250,000	Agreement Executed
7127	Deerfield Island Brdwalk replc	50,000	0	50,000	Agreement Executed
7128	Deerfield Island shleter rplcm	75,000	0	75,000	Agreement Executed
7129	South Frk New River Ph2	60,000	0	60,000	Agreement Executed
7130	Dania Bch Municipal Marina	1,000,000	0	1,000,000	70% complete
7131	FLPD Marine Motors Rplcmnt	30,000	0	30,000	Agreement Executed
7134	Arlington Lions Brdwlk ph1	40,420	0	40,420	Agreement Executed
7135	Charles Reese Fishing Pier Ph1	44,250	0	44,250	Agreement Executed
7136	County Dock Boat Rmp Ph1	46,260	0	46,260	Agreement Executed
7137	Exchange Island Ph1	57,880	0	57,880	Agreement Executed
7138	Fishing Creek Dredge Ph2	225,000	0	225,000	Agreement Executed
7139	Half moon Boat Rmp Ph 1	25,100	0	25,100	Agreement Executed
7140	Half moon Kayak Launch Ph1	45,100	0	45,100	Agreement Executed
7141	City Jax lighting 2 Boat Ramps	143,930	0	143,930	Agreement Executed
7142	Northbank River Walk Ph1	40,000	0	40,000	Agreement Executed
7143	Northshore Kayak launch Ph1	29,350	0	29,350	Agreement Executed
7144	Ortega Channel Markers Ph2	16,800	0	16,800	Agreement Executed
7145	Sisters Creek Dock Rdesign Ph1	35,380	0	35,380	Agreement Executed
7146	Longs Landing Estuary Ph2	167,843	0	167,843	pre const. conf held
7147	Sebastian Wrking Waterfrnt	157,350	0	157,350	1% complete
7148	Jones Pier Wtrfrnt Improvmnt	15,000	0	15,000	15% Complete
7149	City of Sturt Riverwalk Expans	40,000	0	40,000	Agreement Executed
7150	St. Lucie Inlet maint.	386,361	0	386,361	25% complete
7151	Jupiter Island Matine Patrol	30,000	0	30,000	Project Complete Ck presentation May
7152	Miami Marine Stadium Structurl	157,900	0	157,900	Agreement Executed
7153	Miami Womans Club Baywalk	150,000	0	150,000	Agreement Executed
7154	Sebold Canal Wagner Creek Drdc	1,000,000	0	1,000,000	Seeking additional funds
7155	Virginia Key Seawall Launch	37,500	0	37,500	Agreement Executed

FL INLAND NAVIGATION DISTRICT
 Project Status Expenditure Report - Budget vs. Actual
 For the Six Months Ending March 31, 2014

ACCT #	ACCOUNT DESCRIPTION	BUDGET ANNUAL	ACTUAL Y-T-D	Amount Under/<Over>	Project Status
7156	Curtis Park Boat Rmp	190,050	0	190,050	Agreement Executed
7157	Lummus Landing Riverwalk	570,000	0	570,000	Agreement Executed
7158	Manatee Bend Seawll & dock	325,000	0	325,000	Agreement Executed
7159	Indian Creek Prk Seawall Ph I	160,000	0	160,000	pre dredge meeting January
7160	Parks Bluewaya Master Plan	40,000	0	40,000	5% Complete
7161	North Bayshore Lehman Park	300,000	0	300,000	Agreement Executed
7162	Crandon Marina Boat Ramp	70,000	0	70,000	1% complete
7163	Matheson Hammock Boat Rmp	74,000	0	74,000	1% complete
7164	Miami River Greenway	500,000	0	500,000	Bid to go out May 2014
7165	Surfside Seawall Replacement	494,445	0	494,445	Plans & Specs final
7166	Breakwater Dock Improvement	81,000	0	81,000	20% Complete
7167	Hillsboro Canal Maint. Dredge	75,000	0	75,000	Agreement Executed
7168	Municipal Marina Constr Ph b	750,000	0	750,000	99% complete
7169	Bert Winters park Aquistrn	250,000	0	250,000	Property Purchased
7170	Highland Bch Mangrv Shrline	258,037	0	258,037	Construction awarded
7171	Juno Dunes Shrline Rstrtn	280,725	0	280,725	Construction Awarded
7172	Ocean inlet Design Permit	75,000	0	75,000	Property Surveyed
7173	Waterway Park Development	1,420,396	0	1,420,396	Agreement Executed
7174	Lake Park Harbor Marina	249,115	0	249,115	Agreement Executed
7175	North Lake Park	104,000	0	104,000	2% complete
7176	Salt Run Dredge Ph 4	210,000	0	210,000	Project Bid Awarded
7177	Dredging San Sebastian Ph4	130,917	0	130,917	1,776 cy removed
7178	Barge Navigation Chanl Mnt	100,000	0	100,000	Agreement Executed
7179	Barge Navigation Rmp Repair	25,000	0	25,000	Structuarl Assess Underway
7180	Fishing Pier Cleaning Station	100,000	0	100,000	Agreement Executed
7181	Canal Park Boat Ramp	302,426	0	302,426	Agreement Executed
7182	North Causway Boat Launch	407,400	0	407,400	Agreement Executed
7183	Swoop Site Boat Ramp Parking	171,003	0	171,003	Compl;ete Ribbon cutting March
7184	Riverwalk Launch Boardwalk Ph1	40,000	0	40,000	25% Complete Contractor Selected
7185	Highbridge Park Expansion Ph1	15,000	0	15,000	Agreement Executed
		34,010,907	2,147,593	31,863,314	

FL INLAND NAVIGATION DISTRICT
Project Status Expenditure Report - Budget vs. Actual
For the Six Months Ending March 31, 2014

ACCT #	ACCOUNT DESCRIPTION	BUDGET ANNUAL	ACTUAL Y-T-D	Amount Under/<Over>	Project Status
CAP					
7117	FDEP FL Clean Marina Pgm	150,000	0	150,000	7% complete
7118	FDEP Florida Clean Vessel Act	150,000	0	150,000	10 applicants received funding
7119	SJRWMD	150,000	0	150,000	Draft feasibility submitted 50%
7186	Hugh Taylor Birch State Park	75,000	0	75,000	
		525,000	0	525,000	
Public Information					
5319.63	FIND Display Development	62,474	784	61,690	
5402	Outreach Events	25,000	8,229	16,771	
5410	Communications	33,000	8,357	24,643	
5480	Public Information	12,000	4,443	7,557	
5490	Legal Advertising	27,000	3,045	23,955	
5554.13	Manatee Zone Brochures	12,155	0	12,155	
5560.01	Boaters Guides	7,441	0	7,441	
5642	Records Management	4,238	0	4,238	
		183,308	24,858	158,450	
5643	Disaster Relief Account	966,438	0	966,438	
	Total Disaster	966,438	0	966,438	
5311	Prop. Appraiser's Commissions	160,000	200,142	(40,142)	
5321	Tax Collector's Commissions	500,000	352,433	147,567	
		660,000	552,575	107,425	
TOTALS		86,012,993	5,765,720	80,247,273	

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Florida Inland Navigation District

ANNUAL FINANCIAL REPORT

September 30, 2013

Florida Inland Navigation District

ANNUAL FINANCIAL REPORT

September 30, 2013

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Report Of Independent Auditors

To the Board of Commissioners
Florida Inland Navigation District
Jupiter, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Florida Inland Navigation District (the "District") as of and for the year ended September 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 auditor's 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 opinion.

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To the Board of Commissioners
Florida Inland Navigation District

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the General Fund of the District as of September 30, 2013, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity 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 to 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 principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May XX, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts. 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 Florida Inland Navigation District internal control over financial reporting and compliance.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May XX, 2014

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

DRAFT

Management's discussion and analysis of Florida Inland Navigation District's (the "District") financial performance provides an analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements of the District include three components; 1) *Government-wide financial statements*, 2) *Fund financial statements* and 3) *Notes to the financial statements*.

Government-wide financial statements provide readers with an overview of the District's financial activities for the year. They can be found on pages 11 and 12 of this report.

These statements include; a **Statement of Net Position** which presents information on all of the District's assets and liabilities and shows the net position and a **Statement of Activities** which presents information showing how the District's net position changed during the most recent fiscal year.

All of the District's programs are considered to be governmental activities and are all related to the maintenance and management of the Atlantic Intracoastal and Okeechobee Waterways. The District's primary source of funds for these activities is ad valorem tax revenues from the twelve member counties, Nassau through Miami-Dade.

Fund financial statements focus on the near term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating the District's near term financing needs. These statements group related accounts so as to maintain control over resources that have been segregated for specific activities or objectives. The District uses a General Fund for this purpose, which is classified as a governmental fund.

Fund financial statements include a **Balance Sheet** and a **Statement of Revenues, Expenditures and Changes in Fund Balance** for the General Fund. A **Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual** is provided for the District's General Fund to demonstrate compliance. *Fund financial statements* provide more detailed information about the District's activities, and can be found on pages 13, 15 and 17 of this report.

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

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OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including land, infrastructure and improvements and all liabilities, including accrued compensation are reported in the **Statement of Net Position**. The **Statement of Activities** includes depreciation on all long lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the General Fund of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures, and long-term liabilities, such as accrued compensation, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

Explanations of the reconciling items between the governmental fund and the governmental activities can be found on pages 14 and 16 and in Note B on pages 27 through 29.

Notes to the financial statements 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 18-35 of this report.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2013.

- The District's total net position at the end of the fiscal year totaled \$175,573,781. Of this amount, approximately \$41.2 million is contracted or obligated funds that will be utilized to complete Assistance Program projects, Interlocal Agreement projects and Intracoastal Waterway (ICW) maintenance dredging. The investment in capital assets currently totals approximately \$107 million.
- The District's total fund balance at the end of the fiscal year totaled \$68,132,616. Of this amount, \$54.4 million has been assigned for land acquisition, dredging projects, dredged material management area (DMMA) development, waterway studies and disaster relief as well as assistance projects, interlocal agreement projects and contracts.

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Highlights (Continued)

- Total revenues exceeded expenses by \$4,329,372. Ad valorem tax revenues collected from the District's 12 counties totaled \$20.2 million. The District also collected approximately \$337,000 from the previous sale of property to the City of Edgewater.
- The District's only long-term debt consists of a liability for compensated absences to employees in the amount of \$64,332.
- The District has a total of \$4,474,153 in prepaid funds on account with the U.S. Army Corps of Engineers (the "Corps") for ICW maintenance dredging.
- Thirty four Waterway Assistance Program projects with local governments were completed during the year totaling \$6.65 million and with the local government's financial contribution to these projects, over \$15 million in public waterway infrastructure was created.
- One Cooperative Assistance Program project was completed with \$265,000 of funding from the District. Three other projects were approved during the year with costs of \$450,000.
- During a dredging project on September 14, 2006, dredged material was released onto a 28 acre parcel of land owned by the District and St. Johns County. The contractor is primarily responsible for clean up and mitigation for the site. This matter is further discussed in the notes to the financial statements.
- On November 29, 2007 the State Board of Administration froze certain of its assets and restricted withdrawals from its funds. As of September 30, 2013 the District had approximately \$82,600 frozen in Fund B with an estimated current value of \$93,592. This item is discussed further in the notes to the financial statements.
- The District expended \$4,030,917 for the construction of Dredged Material Management Areas. The sites were constructed as part of the District's Long Range Dredged Material Management Plan for the maintenance of the ICW.

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

Over time, net position may serve as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$175,573,781 at the close of the most recent fiscal year. The majority of these net positions reflect the District's investment in land for the management of the waterway. The District has no related debt on these capital assets.

	Governmental Activities		% Change
	2013	2012	
Current assets	\$ 73,141,920	\$ 71,181,186	2.8%
Capital assets	107,168,479	104,059,143	3.0%
Total Assets	180,310,399	175,240,329	2.9%
Current liabilities	4,723,175	3,979,446	18.7%
Non-current liabilities	13,443	16,474	-18.4%
Total Liabilities	4,736,618	3,995,920	18.5%
Invested in capital assets	107,168,479	104,059,143	3.0%
Restricted	41,163,767	30,710,765	34.0%
Unrestricted	27,241,535	36,474,501	-25.3%
Total Net Position	\$ 175,573,781	\$ 171,244,409	2.5%

The District's total net position at the end of the fiscal year totaled \$175,573,781; of this amount, approximately \$41.2 million is contracted or obligated funds that will be utilized to complete Assistance Program projects, Interlocal Agreement projects and ICW maintenance dredging. The investment in capital assets currently totals approximately \$107 million. The remaining balance of \$27.2 million is unrestricted and is available to meet the District's ongoing obligations.

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

Governmental activities increased the District's net position by \$4,329,372. Key Elements of these changes are listed below.

	Governmental Activities		%
	2013	2012	Change
Governmental Revenues			
Ad valorem taxes	\$ 20,199,326	\$ 20,304,295	-0.5%
Investment earnings	265,038	244,093	8.6%
Reimbursement from other government	343,889	-	100.0%
Miscellaneous revenues	1,464,859	98,879	+ 100.0%
Total Revenues	22,273,112	20,647,267	7.9%
Expenses			
General government	1,686,003	1,572,463	7.2%
Physical environment	16,257,737	16,121,481	0.8%
Total Expenses	17,943,740	17,693,944	1.4%
Change in Net Position	4,329,372	2,953,323	46.6%
Net Position - Beginning of Year	171,244,409	168,291,086	1.8%
Net Position - End of Year	\$ 175,573,781	\$ 171,244,409	2.5%

The increase in revenues is primarily attributed to the reimbursement received from the Corps for projects completed below projected cost and the litigation settlement received of \$1,050,000 related to DMMA SJ 14.

The increase in general government expenses is attributed to the one additional staff hired in the current fiscal year, as the District was in a transition phase of the replacement of the executive director.

The increase in physical environment expenses can be attributed to the additional dredging projects administered by the District.

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District's Funds

The District has only one governmental fund which provides information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unreserved 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 fund balance increased \$1,555,490, from the prior year, to \$68,132,616 million as of September 30, 2013. The key factor attributing to the increase is the timing of projects authorized by the District through its Waterway and Cooperative Assistance grants programs. Of the total fund balance, \$54.4 million has been reserved for land acquisition, dredging projects, DMMA development, waterway studies and disaster relief as well as assistance projects and interlocal agreement projects contracts.

Capital Assets

During the fiscal year the District expended \$244,179 for the purchase of land, \$3,786,738 for the construction of DMMA's and \$19,274 for the purchase of office equipment. The NA -1 DMMA project was not completed as of September 2013, and is included in Construction in progress.

	Capital Assets (Net of Depreciation)	
	2013	2012
Land and easements	\$ 79,029,281	\$ 78,785,102
Construction in progress	3,765,911	3,645
Building and improvements	26,424	33,218
Dredged material management	24,279,124	25,172,489
Furniture and equipment	67,739	64,689
Total Capital Assets (Net)	\$ 107,168,479	\$ 104,059,143

Additional information on the District's capital assets can be found in Note D in the notes to the financial statements.

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Long-Term Debt

The only long-term debt of the District is for compensated absences to employees that totaled \$64,332 at September 30, 2013.

General Fund Budgetary Highlights

During the year the District amended its budget using budget transfers and carry forward funds, and the major changes are summarized as follows.

The following budgetary changes were funded using previously allocated but unspent funds:

- A \$1.16 million increase in the ICW Dredging account.
- A \$1.2 million decrease in DMMA development..
- A \$2 million increase for the Dania Canal interlocal agreement.
- A \$1.6 million increase in the Construction in progress account related to DMMA NA-1.
- A \$5.7 million increase in IWW Sawpit Dredging account.

Economic Factors and Next Year's Budget

Florida Inland Navigation District does not anticipate any economic factors to have a significant effect on the financial position or results of operations of the District in fiscal year 2014.

The District is a partner with the U.S. Army Corps of Engineers in the maintenance and management of the Intracoastal and Okeechobee Waterways. Over the past several years, Federal budget cuts have required the District to increase its spending on waterway maintenance dredging and DMMA development to ensure safe and efficient navigation by our waterway users. The outlook on Federal funding for the waterways remains tight and could possibly be reduced even further. The District increased its millage rate in 1997 to address this federal shortfall but has not raised it since. The District's millage rate for fiscal year 2013 is .0345. This rate did not exceed the maximum millage rate allowed.

In the latter part of 2007, the real estate market experienced a significant drop in sales. As a result, property values have decreased. It is expected that the property appraiser will adjust their property values assessments in fiscal year ending September 30, 2014 to reflect the recent slight improvements in the real estate market.

**Florida Inland Navigation District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2013**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget (Continued)

Interest rates on the District's investments plummeted to an average rate of less than 1%. All of the District deposits, excluding \$96,150 in the Local Government Surplus Funds Trust Fund and \$82,600 in Fund B, are Chapter 280 collateralized deposits. In addition, the District has implemented a conservative banking policy which utilizes the Bauer statewide banking report to objectively analyze qualified public depositories and their respective soundness. This has enabled the District to avoid banks that might be taken over by the Federal Deposit Insurance Corporation (FDIC).

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mark Crosley, Executive Director, Florida Inland Navigation District, 1314 Marcinski Road, Jupiter, Florida 33477.

Florida Inland Navigation District
STATEMENT OF NET POSITION
September 30, 2013

DRAFT

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 37,472,606
Investments	28,241,442
Due from other governments	78,493
Accrued interest receivable	10,587
Note receivable	337,018
Prepaid items	6,974,153
Restricted Assets:	
Cash and cash equivalents	27,621
Total Current Assets	73,141,920
Non-current Assets:	
Capital assets not being depreciated	82,795,192
Capital assets being depreciated	33,008,646
Less: accumulated depreciation	(8,635,359)
Total Non-current Assets	107,168,479
Total Assets	180,310,399
LIABILITIES	
Current Liabilities	
Accounts payable	4,132,399
Retainage payable	539,887
Compensated absences	50,889
Total Current Liabilities	4,723,175
Non-current Liabilities:	
Compensated absences	13,443
Total Liabilities	4,736,618
NET POSITION	
Invested in capital assets	107,168,479
Restricted for dredging projects	19,448,235
Restricted for grants, interlocals, and contracts	21,687,911
Restricted in escrow	27,621
Unrestricted	27,241,535
Total Net Position	\$ 175,573,781

See accompanying notes.

**Florida Inland Navigation District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013**

DRAFT

Expenses by:**Functions/Programs****Governmental Activities**

General government

\$ (1,686,003)

Physical environment

(16,257,737)

Total Governmental Activities

(17,943,740)**General Revenues:**

Ad valorem property taxes

20,199,326

Investment earnings

265,038

Reimbursement from other government

343,889

Miscellaneous revenues

1,464,859

Total General Revenues

22,273,112

Change in Net Position

4,329,372

Net Position - October 1, 2012

171,244,409

Net Position - September 30, 2013

\$ 175,573,781*See accompanying notes.*

**Florida Inland Navigation District
BALANCE SHEET -
GOVERNMENTAL FUNDS
September 30, 2013**

DRAFT

ASSETS	General Fund
Cash and cash equivalents	\$ 37,472,606
Investments	28,241,442
Due from other governments	78,493
Accrued interest receivable	10,587
Restricted cash and cash equivalents	27,621
Note receivable	337,018
Prepaid expenses	<u>6,974,153</u>
 Total Assets	 <u><u>\$ 73,141,920</u></u>
 LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable	\$ 4,132,400
Retainage payable	539,886
Unearned revenues	<u>337,018</u>
 Total Liabilities	 <u><u>5,009,304</u></u>
 FUND BALANCES	
Nonspendable	
Prepaid expenses	6,974,153
Investment funds	93,592
Assigned for:	
Dredging projects	19,475,856
Grants, interlocals and contracts	20,792,185
Land purchases	10,904,252
DMMA development	1,343,192
Waterway studies	895,726
Disaster relief	1,000,000
Unassigned	<u>6,653,660</u>
Total Fund Balances	<u><u>68,132,616</u></u>
 Total Liabilities and Fund Balances	 <u><u>\$ 73,141,920</u></u>

996,438

See accompanying notes.

Florida Inland Navigation District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2013

DRAFT

Total Governmental Fund Balances **\$ 68,132,616**

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

Capital assets not being depreciated, land and easements, \$79,029,281, and construction in progress, \$3,765,911, used in governmental activities are not financial resources and; therefore, are not reported in the funds. **82,795,192**

Capital assets being depreciated, building and improvements, \$195,404, dredged material management areas, \$32,470,820 and furniture and equipment, \$342,422, net of accumulated depreciation \$(8,635,359) used in governmental activities are not financial resources and therefore, are not reported in the funds. **24,373,287**

Notes receivable are not financial resources in the current period and therefore are reported as unearned revenues at the fund level. **337,018**

Accrued compensated absences are not financial uses, and therefore, are not reported in the funds. **(64,332)**

Net Assets of Governmental Activities **\$175,573,781**

See accompanying notes.

Florida Inland Navigation District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the year ended September 30, 2013

DRAFT

	<u>General Fund</u>
Revenues	
Ad valorem taxes	\$ 20,199,326
Investment earnings	265,038
Reimbursements from other government	343,889
Miscellaneous	<u>1,801,878</u>
Total Revenues	<u>22,610,131</u>
Expenditures	
Current	
General government	1,687,568
Physical environment	15,316,882
Capital outlay	<u>4,050,191</u>
Total Expenditures	<u>21,054,641</u>
Net Change in Fund Balances	<u>1,555,490</u>
Fund Balances - October 1, 2012	<u>66,577,126</u>
Fund Balances - September 30, 2013	<u><u>\$ 68,132,616</u></u>

See accompanying notes.

Florida Inland Navigation District
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, 2013



Net Change in Fund Balances - Total Governmental Funds \$ 1,555,490

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 as depreciation expense. This is the amount that capital outlay, \$4,050,191, exceeded depreciation expense, (\$940,855) in the current period. 3,109,336

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the change in accrued compensated absences. 1,564

Collection of the note receivable is reported as a miscellaneous income in the governmental fund statements; however, in the Statement of Activities, this revenue was recognized in the year the loan was issued. (337,018)

Change in Net Position of Governmental Activities \$ 4,329,372

See accompanying notes.

Florida Inland Navigation District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND

DRAFT

For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	\$20,446,234	\$20,446,234	\$ 20,199,326	\$ (246,908)
Investment income	250,000	250,000	265,038	15,038
Reimbursement from other government	339,000	339,000	343,889	4,889
Miscellaneous	-	-	1,801,878	1,801,878
Total Revenues	21,035,234	21,035,234	22,610,131	1,574,897
Expenditures				
Current				
General government				
Administration	1,441,615	1,456,301	1,221,125	235,176
Public information	202,638	186,153	72,249	113,904
Tax assessment commission	660,000	660,000	394,194	265,806
Physical environment				
Waterway assistance grants	29,706,766	29,171,318	6,877,520	22,293,798
Cooperative assistance grants	439,600	800,000	264,774	535,226
Operations	27,063,040	35,662,193	5,590,602	30,071,591
Interlocal agreements	261,678	3,295,666	2,450,827	844,839
Long range studies	1,200,955	1,028,885	133,159	895,726
Capital outlay	10,118,745	11,800,206	4,050,191	7,750,015
Total Expenditures	71,095,037	84,060,722	21,054,641	63,006,081
Net Change in Fund Balances	(50,059,803)	(63,025,488)	1,555,490	64,580,978
Fund Balances - October 1, 2012	50,059,803	63,025,488	66,577,126	3,551,638
Fund Balances - September 30, 2013	\$ -	\$ -	\$68,132,616	\$ 68,132,616

See accompanying notes.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Pronouncements of the Financial Accounting Standards Board (FASB) issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). The District's more significant accounting policies are described below.

1. Reporting Entity

The Florida Inland Navigation District (the "District") is an independent special taxing district created by the Florida Legislature on May 25, 1927 for the purpose of acting as the "local interest" authorizing and directing the improvement and maintenance of the Intracoastal Waterway from the City of Jacksonville, Florida to the City of Miami, Florida. In 1943, the Legislature made the District the local interest sponsor of that portion of the waterway between the Florida-Georgia border and the City of Jacksonville. In 2004, the Florida Legislature approved the addition of Nassau County to the District's taxing boundaries. Nassau County voters approved the District tax by referendum in November 2004 and the Governor appointed the first District Commissioner from Nassau County in March 2005. The District's boundaries include the twelve counties on the east coast of Florida from Nassau to Miami-Dade County, both inclusive. The District is governed by a twelve member Board of Commissioners, one from each county included in the District, appointed by the Governor. The Commissioners serve for a term of four years and select a chair from among the Commission members.

The Florida Legislature, in 1996, passed Chapters 374.980 through 374.988 F.S., "The Florida Inland Navigation District Law", amending, codifying and containing the complete charter of the District in association with Florida Statutes Sections 374.975-978, effective July 1, 1996. This law also repealed all previous special acts relating to the District with exception of Section 9 of Chapter 65-900 relating to the District's taxing authority.

The enabling legislation outlines the following responsibilities:

- Obtain and convey free of cost to the United States all lands necessary for a right of way and dredge material management for the Atlantic Intracoastal and Intracoastal waterways.
- Contract directly for, or enter into agreements with, the United States Army Corps of Engineers (the "Corps") or other agencies for waterway dredging or dredged material management area construction.
- Collect data on the advantages and benefits of the Intracoastal Waterway.
- Expend funds for publicizing the Intracoastal Waterway.
- Developing long-range plans for maintenance of the Intracoastal Waterway and for dredge material management.
- Acting as the local sponsor of the Okeechobee Waterway from the St. Lucie inlet to the St. Lucie lock.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Reporting Entity (Continued)

- Funding of projects under "Section 107, River and Harbor Act of 1960" in cooperation with the Corps.
- Provide funding assistance for beach re-nourishment and inlet management projects, within certain guidelines.
- Furnishing of financial support to local governments in the District for public navigation, public recreation, inlet management, environmental education and boating safety programs, within certain guidelines.
- Providing financial assistance within certain guidelines to the state and counties to pay part of the costs of acquisition, planning, development construction, reconstruction, extension, improvement, operation and maintenance of waterway related projects.
- Paying part of the costs of acquisition of dredge material management sites in cooperation with navigation-related districts.
- Assistance to port authorities for certain projects.
- The Florida Legislature, in 2005, amended the law to extend the District's local interest responsibilities to that section of the Okeechobee Waterway between the St. Lucie lock and the western Palm Beach County line.

These financial statements present the Florida Inland Navigation District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board, the District has identified no component units.

2. Measurement Focus and Bases of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Bases of Accounting (Continued)

a. Government-wide Financial Statements

Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. The District accounts for all financial resources in one fund, the General Fund, which includes all the governmental activities of the primary government.

Governmental activities are primarily supported by property tax revenues and investment income.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated with one fund. The operations of that fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate.

Fund financial statements for the primary government's governmental fund are presented after the government-wide financial statements. These statements display information about the General Fund.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become measureable and available. Revenues are considered to be available when they are collected within the current period or soon 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.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Ad valorem assessments and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Revenues for expenditure driven grants and interlocal agreements are recognized when the related expenditures are incurred. All other revenue items are considered to be measureable and available only when cash is received by the District.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than capitalized as fund assets.

The District implemented the Governmental Accounting Standards Board Statement 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The classifications include non-spendable, restricted, committed, assigned and unassigned.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Commissioners' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the Executive Director.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy - When restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

3. Basis of Presentation

a. Governmental Major Funds

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

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds, be reported in the governmental activities column in the government-wide Statement of Net position.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities and Net Position or Equity

a. Cash and Investments

Chapter 280, Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits. Cash and cash equivalents consist of cash on hand, time and demand deposits.

Funds in excess of those required to meet current or short term expenses may be invested, per the District's investment policy, in Certificates of Deposit (CD's), a fully insured interest bearing account such as money market with a local bank, or with the State Board of Administration (SBA). Limited in the aggregate, to five percent (5%) of the District's total investment portfolio may be invested in an alternate investment vehicle, authorized by Florida Statute.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. The Local Government Surplus Funds Trust as created by Section 218.415, Florida Statutes;
2. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in qualified public depositories;
4. Direct obligations which are secured by the United States Treasury;
5. Other investments authorized by law or resolution of the District.

Investments in the Local Government Surplus Funds Trust Fund and Fund B Surplus Funds Trust Fund are recorded at the value of the pool shares, which is fair value.

b. Restricted Assets

Pursuant to agreements with the Corps, the District has deposits in financial institutions held in escrow to pay for their share of the estimated costs of dredging and other waterway projects undertaken by the Corps. Fund balance is reserved and net position are restricted to the extent of restricted assets available for dredging projects with the Corps. At the completion of the project, any unspent funds will be returned to the District. Qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities and Net Position or Equity (Continued)

c. Prepaid Items

Florida Inland Navigation District funds certain projects relating to the management of the Intracoastal Waterway pursuant to agreements with the Corps. The District has funds on account with the Corps that may be returned or reallocated to other projects. Reported amounts in the governmental fund are equally offset by a reservation of fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

d. Capital Assets and Depreciation

Capital assets, which include land, buildings and equipment, are reported in the government-wide financial statements. When purchased, acquired or constructed for over \$1,000, capital assets are recorded as expenditures in the governmental fund and capitalized as assets in the government-wide statement of net position. Capital assets are carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure, such as dredged material management areas, is capitalized along with other general capital assets at historical costs. The valuation basis for capital assets is historical cost. Donated capital assets are recorded at estimated fair value on the date donated.

Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation.

The estimated lives for each major class of depreciable capital assets are as follows:

Building and improvements	30 years
Dredged material management areas	15-50 years
Furniture and equipment	3-5 years

The District has easements on approximately 250 properties that cover an estimated 32,000 acres within the District. Additionally, another 25,000 acres of land is encompassed by the right of way easement for the Atlantic Intracoastal Waterway. The District's easements are included in land, but do not represent fee simple ownership in real property.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities and Net Position or Equity (Continued)

d. Capital Assets and Depreciation (Continued)

The easements represent the right of the District to use the easement site for waterway purposes at any time necessary. Therefore, the property may be rendered useless for any type of other development until the easement is released by the District. The District has developed a policy which states the conditions that must be met before an easement will be considered for release. The District will not release any easements until a comprehensive long-range study of its dredged material management needs is complete in that county. Easements for dredge material management may be released if they are not needed pursuant to the Long-Range Dredge Material Management Plan. Following District Board approval of the easement for release, the information is submitted to the Corps for their approval.

e. Taxes Receivable – Property Taxes

Under Florida Law, the assessment of all properties and collection of all county, municipal and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The tax levy of the District is established by the District Board of Commissioners prior to October 1st of each year at which time the various County Tax Collectors incorporate the District millage into the total tax levy, which includes the various county, municipal and other special district tax levies. All property is reassessed according to its fair value on January 1st of each year and certain residential property is limited to a 3% annual increase. Each County's assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all the appropriate requirements of State statutes.

All real and tangible personal property taxes are due and payable on November 1st each year. Each County mails to each property owner on the assessment roll, a notice of the taxes due and each County also collects the taxes for the District. Taxes may be paid upon receipt of such notice from each County, with discounts at the rate of 4% if paid in the month of November, 3% if paid in the month of December, 2% if paid in the month of January and 1% if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1st of the year following the year in which taxes were assessed. There were no material delinquent taxes at September 30, 2013.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities and Net Position or Equity (Continued)

f. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick leave for regular employees. Up to 26 days of annual leave and 6 days of sick leave may be accrued during the year. Senior management employees earn 30 days of annual leave and 15 days of sick leave each year. If regular employees have annual vacation leave hours in excess of the 30 days maximum, at the end of the fiscal year all such excess leave will be cancelled and the employee will have the option to either be paid in cash for 50% of all such cancelled leave, or convert the cancelled hours to sick leave credits to be added to the accrual of unused sick leave credits. Senior management employees may accumulate up to 60 days of annual leave and sick leave. Any excess annual leave accrued over 60 days by senior management employees may be converted to sick leave. Sick leave accrued in excess of 60 days shall be lost. In the event of termination, an employee is reimbursed on a pro-rata basis for accumulated unused vacation days. Employees are reimbursed for 25% of accumulated sick leave upon leaving District employment in good standing. Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental fund only if they have matured, for example, as a result of employee resignations or retirements.

g. Net Position

Equity in the government-wide statement of net position is displayed in three categories: 1) invested in capital assets net of related debt, 2) restricted and 3) unrestricted. Net position invested in capital assets net of related debt, consist of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets. Net position is reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by other governments, creditors, or grantors. Unrestricted net position consists of all net position that do not meet the definition of either of the other two components.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities and Net Position or Equity (Continued)

h. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 189 and Section 200.065, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. Formal budgets are adopted for the general fund. The legal level of budgetary control is at the fund level.

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

"Total fund balances" of the District's governmental funds (\$68,132,616) differs from "net position" of governmental activities (\$175,573,781) reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the Governmental Fund Balance Sheet. The effect of the differences is illustrated below.

Capital related items

When capital assets (improvements and infrastructure that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net position included those capital assets among the assets of the District as a whole.

Land and easements	\$ 79,029,281
Construction in progress - dredged material management areas	3,765,911
Buildings and improvements	195,404
Dredged material management areas	32,470,820
Furniture and equipment	342,422
Accumulated depreciation	(8,635,359)
Total	<u>\$ 107,168,479</u>

Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

DRAFT

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)

Unearned revenues

Unearned revenues in the statement of net position differ from the amount reported in the governmental funds due to revenue from the note receivable. Governmental fund financial statements report unearned revenues or revenues which are measurable but not available as unearned revenues. However, deferred revenues are susceptible to full accrual on government-wide financial statements.

Unearned revenues	\$ <u>337,018</u>
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Accrued compensated absences

Accrued compensated absences are not financial uses, therefore, are not reported in the fund.

Accrued compensated absences	\$ <u>(64,332)</u>
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2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The "net change in fund balances" for government funds (\$1,555,490) differs from the "change in net position" for governmental activities (\$4,329,372) reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

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

Capital outlay	\$ 4,050,191
Depreciation expense	(940,855)
Total	<u>\$ 3,109,336</u>

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities (Continued)

Long-term debt transactions

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

Net decrease in accrued compensated absences \$ 1,564

Unearned revenues

Some revenues are not recognized in the current period because the resources are not available; therefore, these revenues are not reported in the fund financial statements. The amount listed below is the net of the prior and current fiscal years and were included in the statement of activities in a prior year.

Net change in unearned revenues \$ (337,018)

NOTE C – CASH AND INVESTMENTS

Deposits

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and equivalents. The carrying value of these deposits at September 30, 2013 was \$37,500,227 and the bank balance was \$37,972,568, of which \$27,621 is classified as restricted cash and equivalents. All the deposits were covered by FDIC or collateralized in accordance with the "Florida Security for Public Deposits Act".

Investments

The State Board of Administration (SBA) administers the Local Government Surplus Funds Trust Fund and the Fund B Surplus Funds Trust Fund, both of which are governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Local Government Surplus Funds Trust Fund and Fund B.

The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of \$1 per share. The fair value of the position in the Local Government Surplus Funds Trust Fund is equal to the value of the pool shares. Fund B is accounted for as a fluctuating NAV pool. As of September 30, 2013, the fair value factor for Fund B was 1.13268. Fund B is not subject to participant withdrawal requests.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Distributions from Fund B, as determined by the SBA, are effected by transferring eligible cash or securities to the Local Government Surplus Funds Trust Fund, consistent with the pro rata allocation of pool shareholders of record at the creation of Fund B. One hundred percent of such distributions from Fund B are available as liquid balance within the Local Government Surplus Funds Trust Fund. The investments in the Local Government Surplus Funds Trust Fund and Fund B are not insured by FDIC or any other governmental agency

As of September 30, 2013, the District had the following investments and maturities:

<u>Investments</u>	<u>Maturity</u>	<u>Book Value</u>	<u>FMV</u>
State Board of Administration			
Local Government Surplus Funds	NA	\$ 96,150	\$ 96,150
Fund B	NA	82,633	93,592
Certificate of Deposit	4/24/2014	15,014,254	15,014,254
Certificate of Deposit	11/25/2014	5,032,236	5,032,236
Certificate of Deposit	2/4/2014	5,000,000	5,000,000
Certificate of Deposit	7/19/2014	3,005,210	3,005,210
Total Investments		\$28,230,483	\$ 28,241,442

Concentration of Credit Risk

The District's investment policy states that investments shall be diversified to control the risk of loss resulting from concentration of assets. There is no cap on funds being invested in Certificates of Deposits (CD's), a fully insured interest bearing account (example being a money market account) with a local bank, or with the State Board of Administration. Alternative investment vehicles may be utilized; however, the investments will be limited in the aggregate to five percent (5%) of the District's total investment portfolio.

Interest Rate Risk

The District's investment policy limits interest rate risks by attempting to match investments with known cash needs and anticipated cash flow requirements. To meet the operating needs and any other unforeseen temporary cash requirements, the District maintains sufficient cash to cover all checks and wire transfers in liquid investments having a maturity of 90 days or less.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Credit Risk

The District's investments in government obligation mutual funds are limited by state statutory requirements. As of September 30, 2013, the investments in Certificates of Deposit consisted of 98.5% of the District's total investments. The State Board of Administration Fund Local Government Surplus Funds Trust Fund was rated AAAm by Standard and Poors. The investments in the State Board of Administration were less than 1% of the District's total investments. Fund B is not rated by a nationally recognized statistical rating organization.

NOTE D – CAPITAL ASSETS

	October 1, 2012 Balance	Increases	Decreases	September 30, 2013 Balance
Non-Depreciable Assets:				
Land and easements	\$ 78,785,102	\$ 244,179	\$ -	\$ 79,029,281
Construction in progress	3,645	3,765,911	3,645	3,765,911
Total Non-depreciable Assets	78,788,747	4,010,090	3,645	82,795,192
Depreciable Capital Assets:				
Building and improvements	195,404	-	-	195,404
Dredged material management areas	32,449,993	20,827	-	32,470,820
Furniture and equipment	339,951	22,919	20,448	342,422
Total Depreciable Assets	32,985,348	43,746	20,448	33,008,646
Total Capital Assets	111,774,095	4,053,836	24,093	115,803,838
Accumulated Depreciation:				
Building and improvements	(162,186)	(6,794)	-	(168,980)
Dredged material management areas	(7,277,504)	(914,192)	-	(8,191,696)
Furniture and equipment	(275,262)	(19,869)	(20,448)	(274,683)
Total Accumulated Depreciation	(7,714,952)	(940,855)	(20,448)	(8,635,359)
Depreciable Assets, Net of Depreciation	25,270,396	(897,109)	-	24,373,287
Total Capital Assets, Net of Depreciation	\$ 104,059,143	\$ 3,112,981	\$ 3,645	\$ 107,168,479

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

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NOTE E – PENSION PLAN

All of Florida Inland Navigation District's qualified employees participate in the Florida Retirement System ("FRS"), which is administered by the State of Florida Department of Management Services. Employees elect participation in either the defined benefit plan ("Pension Plan"), a multiple-employer cost sharing defined benefit retirement plan, or the defined contribution plan ("Investment Plan") under the FRS. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Retirement System was established in 1970 by Chapter 121, Florida Statutes. Rules governing the operation and administration may be found in Chapter 60S of the Florida Administrative Code. Changes to the System can only be an act of the Florida Legislature.

Benefits are determined by category and length of service as follows:

<u>Membership Category</u>	<u>Benefit</u>	<u>Vesting</u>	<u>July 1, 2012 Employee Contribution Rates</u>	<u>July 1, 2013 Employer Contribution Rates</u>	<u>July 1, 2012 Employer Contribution Rates</u>
Regular	1.6% times years of service times average compensation (5 highest years) if age 62 or 30 years of service at any age	After 6 years of creditable service	3%	6.95%	5.18%
Senior Management	2% times years of service times average compensation (5 highest years) if age 62 or 30 years of service at any age	After 6 years of creditable service	3%	18.31%	6.30%
Deferred Retirement Option Program (DROP)	Accumulated FRS benefits earn 6.5% effective annual rate of interest compounded monthly for a period up to 60 months after becoming vested having reached normal retirement age and remaining employed	Subject to normal FRS vesting provisions for membership category	0%	12.84%	4.42%

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE E – PENSION PLAN (CONTINUED)

For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration. No employee contributions are required. Participating employer contributions are based upon actuarially determined state-wide rates established by the State of Florida, that are expressed as percentages of annual covered payroll, adequate to accumulate sufficient assets to pay benefits when due. The employer contribution requirement for the years ended September 30, 2013, 2012 and 2011 were \$41,119, \$31,594, and \$57,050, respectively, which was equal to the required contribution for each year. Effective July 1, 2011, employees were required to contribute 3% and the employer contribution rate was reduced for all membership categories. Employee contributions for the years ended September 30, 2013, 2012 and 2011 totaled \$19,645, \$16,104 and \$4,026, respectively.

The Florida Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by calling 850-488-4742.

NOTE F – LONG TERM DEBT

The long term debt of the District consists of compensated absences. The changes for the year ended September 30, 2013 are:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	<u>\$ 65,897</u>	<u>\$ 71,073</u>	<u>\$ 72,638</u>	<u>\$ 64,332</u>	<u>\$ 50,889</u>

NOTE G – COMMITMENTS AND CONTINGENCIES

Waterway Assistance and Cooperative Assistance Programs

The District provides matching funds of up to 50% for waterway projects related to waterway access and recreation and up to 75% for public navigation programs. For the fiscal year ended September 30, 2013, the District had approved projects totaling approximately \$30.56 million, of which, approximately \$22.3 million remains to be paid upon completion of the projects. The remaining amount is included in the District's budget for the fiscal year ending September 30, 2014.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE H – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Contracts and Interlocal Agreements

The District has entered into contracts for professional services related to waterway management. For the fiscal year ended September 30, 2013, the District had approved contracts totaling approximately \$2.7 million of which approximately \$843,000 remains to be paid upon completion of the projects. The remaining amount is included in the District's budget for the fiscal year ending September 30, 2014.

Grants

Grant monies received and disbursed by the District are for specific purposes and may be subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures or other actions by grantor agencies. The District does not believe that such disallowances or other actions taken by the grantor agencies, if any, would have a material effect on the financial position of the District.

Dredged Material Released at SJ-14

On September 14, 2006, a dredged material release occurred at District DMMA SJ-14 in St. Johns County. The Corps subcontracted the dredging project to a contractor, Dredge Enterprise, LLC, who allowed a release of dredged material and saline water from this DMMA site impacting surrounding freshwater wetlands owned by the District and St. John's County. The Florida Department of Environmental Protection (FDEP) instituted an enforcement case in this matter citing the District and the contractor with a violation of Florida law and the District's permit for the use of the property.

Dredge Enterprise, LLC removed a substantial amount of the dredged materials from the impacted wetlands and attempted an unsuccessful restoration. Subsequently, the Florida Department of Environmental Protection (FDEP) considers the District, as the owner and permit holder of the DMMA, to be responsible for the removal of the remaining dredged material and restoration and mitigation of the contaminated wetlands. The District filed suit against Dredge Enterprise, LLC in November 2008 for damages that resulted in the release of the dredged material and the costs incurred to restore the site. This suit was subsequently settled in May 2013 with the contractor's insurance company for \$1,050,000. The District, in turn, released Dredge Enterprise, LLC from any further liabilities.

A Consent Order with the FDEP was approved by the District's Board on April 17, 2009. This Consent Order requires the District to finish the cleanup of mud, salt and arsenic, to re-vegetate the impact areas, and to mitigate the functional loss of the wetlands. Additionally, a fine of \$57,551 was levied against the District for the spill as well as permit and monitoring violations. In the Consent Order, the FDEP agreed to sue the contractor for the spill.

**Florida Inland Navigation District
NOTES TO FINANCIAL STATEMENTS
September 30, 2013**

DRAFT

NOTE H – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Dredged Material Released at SJ-14 (Continued)

The District's Memorandum of Agreement (MOA) with the Corps contains a paragraph (Paragraph 9) making the Corps responsible for correcting any problems caused by its contractors. The Corps has agreed to honor this clause if Congress makes the required funding available.

The District has been performing the tasks outlined in the Consent Order with FDEP and has expended \$637,005 as of September 30, 2013. The District estimates that it will take up to an additional \$2.2 million to complete the mitigation, restoration, and long term monitoring as required by the Consent Order.

NOTE I – 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; injuries to employees; and natural disasters. The District purchases commercial insurance for the risks of losses to which it is exposed. Policy limits and deductibles are reviewed annually by management and established at amounts which provide reasonable protection from significant financial loss. Settlements have not exceeded insurance coverage for any of the prior three fiscal years.

The District is also covered by Florida Statutes under the Doctrine of Sovereign Immunity which effectively limits the amount of liability of districts to individual claims of \$100,000/\$200,000 for all claims relating to the same accident.

NOTE J – NET POSITION

Governmental Accounting Standards Board Statement No. 63 amends net asset reporting by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. No changes to the financial statements were required as a result of GASB 63 except for renaming net assets to net position.

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

To the Board of Commissioners
Florida Inland Navigation District
Jupiter, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Florida Inland Navigation District, as of and for the year ended September 30, 2013, and the related notes to the financial statements, and have issued our report thereon dated May XX, 2014.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Florida Inland Navigation 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 Florida Inland Navigation District's internal control. Accordingly, we do not express an opinion on the effectiveness of Florida Inland Navigation District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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To the Board of Commissioners
Florida Inland Navigation District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants, PL
Fort Pierce, Florida

May XX, 2014

DRAFT**MANAGEMENT LETTER**

To the Board of Commissioners
Florida Inland Navigation District
Jupiter, Florida

We have audited the financial statements of the Florida Inland Navigation District, Florida as of and for the year ended September 30, 2013, and have issued our report thereon dated May XX, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General. We have issued our 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*. Disclosures in that report which is dated May XX, 2014 should be considered in conjunction with this Management Letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General which governs the conduct of local entity audits performed in the State of Florida.

The Rules of the Auditor General (Section 10.554(1)(i)1.) require that we address in the Management Letter, if not already addressed in the auditor's report on compliance and internal controls, whether or not recommendations made in the preceding annual financial report have been followed. There were no recommendations made in the preceding audit report.

As required by the Rules of the Auditor General (Section 10.554(1)(i)2.) the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes regarding the investment of public funds. In connection with our audit, we determined that Florida Inland Navigation District complied with Section 218.415, Florida Statutes.

The Rules of the Auditor General (Section 10.554(1)(i)3, 4.) require that we address in the Management Letter, if not already addressed in the auditor's report on compliance and internal controls: improvements in financial management and violations of contracts or grant agreements, fraud, illegal acts or abuse and deficiencies in internal control that are not significant deficiencies, other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of the auditor. Our audit did not discover any of the above items that require to be disclosed.

Florida Inland Navigation District
Jupiter, Florida

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As required by the Rules of the Auditor General (Section 10.554(1)(i)5. The name or official title and legal authority for the primary government and each component unit of the reporting entity are disclosed in the notes to the financial statements.

As required by the Rules of the Auditor General (Section 10.554(1)(i)6.b.), we determined that the annual financial report for the District for the fiscal year ended September 30, 2013, filed with the Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with our annual financial audit report for the fiscal year ended September 30, 2013.

As required by the Rules of the Auditor General (Section 10.554(1)(i)6.c and Section 10.556(7)), we applied financial conditions assessment procedures. It is Management's responsibility to monitor the entity's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Florida Inland Navigation District has not met one or more of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Section 215.985(11), Florida Statutes, and Section 10.554(1)(i)8, the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its website.

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

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May XX, 2014

**EXECUTIVE DIRECTOR'S
DELEGATION OF AUTHORITY**

Actions from April 2, 2014 through March 5, 2014

1. Approved purchase of two new Dell XPS 87000 computers in the amount of \$2,080.34 to replace aging computers running Windows XP.
2. Approved payment of \$4,762.00 to Taylor Engineering for general engineering services.